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Written statement to the Danish Parliament

"Danish Air Transport 2015" [Nov I]

Put forward by Minister of Transport and Energy Mr. Flemming Hansen:

1. INTRODUCTION

For decades the importance of air transport has increased for the Danish society and each Dane and as a consequence air transport in Denmark has undergone large changes. Today we see clear indications that these changes may be even larger during the next 10 years.

The development in the coming years provide large opportunities as well as risks for Danish air transport, and therefore also for the possibilities, which Danes have, in terms of fast and efficient transportation to other countries and between the different parts of Denmark. To a large extent this is connected to the ability to communicate and trade with other countries, to exchange knowledge and new technologies across national boundaries and to take part in the international division of labour.

As stated in the government platform, the government wants to ensure that the Danish society, each Dane and each company are better prepared to handle the challenges in a still more open international economy.

Globalisation implies an additional opening of the world, which provides Denmark with new opportunities. However, a number of conditions must be met if Denmark is to make use of these opportunities. One condition is that Danes have access to fast and cheap transport to other countries, including both other EU countries, the other side of the Atlantic and the growth economies in Southeast Asia.

The development in air transport is a consequence of globalisation, however, cheaper and better transport is also one of the most important driving forces behind the globalisation process. Air transport is in itself both a very global mode of transport and an industry, which to a large extent is influenced by globalisation. At the same time air transport is a very safe mode of transport.

International air services therefore play an increasing role in the competitiveness of Danish companies, and for the decisions made by international companies regarding localisation. Direct international air services are also an advantage for the tourist trade in Denmark.

As a people the Danes are very internationally oriented, and they travel more than the population of most other countries. International air services are important for families going on holiday as well as for young people, who are studying abroad.

In comparison with most other countries the Danish population is privileged when it comes to opportunities for flying directly to a large number of international destinations. To a large extent this is due to the status Copenhagen Airport in Kastrup has as the hub for among other SAS' routes to and from Northern Europe and the Baltic Sea region. This means, that currently Denmark is among the countries in Europe that has the most international flight connections in proportion to the size of the population.

It is also possible to fly to international destinations from several airports in Jutland. This applies especially to Billund Airport, where there are air services to a large number of destinations by route as well as charter flights. It is also possible to fly to certain international destinations from among other the airports in Aalborg, Esbjerg and Aarhus. This means that tourists and business travellers from Funen and Jutland do not necessarily have to fly to Copenhagen.

At the same time air transport connects the different parts of Denmark. Domestic flight connections are important to many regions here and it is an important local decision, whether a region should maintain its airport. In those parts of the country, where there is a basis for domestic air transport, the air transport shall be efficient.

It cannot be taken for granted that the Danes will have as many air services to choose between in the future. In recent years the conditions for air transport have changed radically, among other due to the liberalisation of air transport, the increased competition, the appearance of low-cost airlines and the tragic events on September 11th 2001. The development has had a measurable impact on the air transport sector.

The liberalisation of air transport in the EU has paved the way for the establishment of new low-cost airlines, which with a different level of costs and a different route structure have increased competition in the aviation market. These years traditional airlines close and new appear, routes are closed down and others opened. In many countries the traditional airlines are under pressure, and the airports are in fierce competition to attract new routes and passengers. If an airport experiences a decrease in the number of passengers or the number of routes, then the airport risks a rapid decline. On the other hand new routes can be the basis for growth which in the end improves the availability of transportation for the population in the entire country.

The figures for 2004 show that Danish air transport may be in the process of recovering after several years with low growth. However, the sector is vulnerable and very turbulent. These years there is a large degree of dynamics and competition. One can not take for granted, that Denmark is going to have the same good flight connections 10 years from now as we do today and which some regard as something completely natural. We can also not take for granted that Danish air transport is going to experience the same progress as in other countries close to us. It is necessary to make an active and unified effort, if optimal conditions shall be ensured for Danish air transport. The aviation sector must develop and innovate and the different public authorities must also contribute to ensure good framework conditions for the sector. There is a need for a continued effort and focus on a number of areas.

With this point of departure the Danish Ministry of Transport and Energy has under the heading "Danish Air Transport 2015 – opportunities and challenges" carried out a comprehensive analysis of the next 10 years' development in Danish air transport. The purpose is to establish a solid basis for a debate on the future of air transport in Denmark, including which initiatives may contribute to creating the right conditions for a healthy and sustainable development in Danish air transport.

2. STATUS AND CHALLENGES FOR DANISH AIR TRANSPORT

The number of passengers travelling to and from the Danish airports has been declining for several years, however, last year there was an increase. In 2004 the total number of passengers was 22½ mil. compared to approx. 21 mil. in 2003.

The majority of passengers travel to or from the airport in Copenhagen, which had 19 mil. passengers in 2004. From 2000 to 2003 there was a decline in the number of passengers in Copenhagen Airport but this trend was reversed in 2004 with an increase in the number of passengers.

However, the increase in travel activity has not resulted in a substantial improvement in the economic situation of the airline companies. Economically 2004 was a poor year as the majority of the airline companies still had a deficit. This is among other due to the fierce competition on low prices and not enough passengers in relation to capacity. The moderate development in the number of passengers in recent years therefore has to be seen in the context of a situation where the prices have been low.

A large number of airlines operate from Danish airports. The largest Danish companies are SAS, Sterling, My Travel Airways and Cimber Air. In addition, there are a number of smaller airlines, taxi companies and different kinds of subcontractors.

A number of different authorities, including a number of Ministries, influence the decisions that are made in the aviation area. Within the Ministry of Transport and Energy, the Civil Aviation Administration is the aviation regulator, while the air navigation service provider, Naviair and the Danish Meteorological Institute deliver different types of air traffic services. These services are almost entirely financed by the aviation sector.

15.000 people are employed in the aviation sector in Denmark. In addition to this a large number of people are employed in the various companies delivering services to the aviation sector. Around 22.000 people work in Copenhagen Airport, some of which are employed in the airport and the airlines while others work e.g. in the many shops in the airport.

In spite of improvements of the infrastructure, most notably the opening of the fixed Great Belt Link in 1997-98, the strengthening of the railway and the extension of the motorways, it is still faster to fly domestically than to travel by car or train in a number of situations.

However, the timesaving associated with flying compared to travelling by car or train has been reduced. This is also reflected in the number of domestic passengers in the Danish airports. Since 1997 there has been a large decline in the number of domestic passengers. Only the route to Aalborg has been largely unaffected by the opening of the fixed link across the Great Belt.

Economically Copenhagen Airport is doing well these years, and the airport has been elected as one of the best airports in the world in recent years. However, with respect to traffic Copenhagen Airport does face large challenges.

It cannot be taken for granted that Copenhagen Airport will be able to maintain its position in the coming years, so that Danes have access to a large and efficient international airport also 10 years from now.

Seen over a longer historic period Copenhagen Airport has not experienced the same growth in the number of passengers that other large international airports in Northern Europe have. For instance Copenhagen Airport had more than 6 mil. passengers in 1970, while Schiphol Airport in Amsterdam had more than 5 mil. passengers. In 1980, Schiphol and Copenhagen were about the same size. Today Schiphol has more than 40 mil. passengers.

These years Copenhagen Airport is challenged by the fact that a relatively large number of flights are established out of other Northern European airports. In 2003 SAS established independent business centres in each of the three Scandinavian countries. During the past years SAS has opened a relatively higher number of direct flights from both Oslo and Stockholm than from Copenhagen Airport. During the last three years SAS has tripled the number of international air services out of Gardemoen Airport in Oslo, while the number of international air services from Arlanda in Stockholm has been increased by 70 %. In Copenhagen Airport SAS has increased the number of air services by 30%.

The large airports in Northern Europe also challenge Copenhagen Airport. For example KLM's efforts in Southern Norway and Western Denmark will attract traffic to the hub in Schiphol.

This being said, however, there are no large airports immediately south of Denmark. Today the airports in large population centres like Berlin and Hamburg are relatively small. In Berlin there are plans to expand the airport, which in the long term could increase capacity and consequently provide competition.

The development in the number of air services from the airports is dynamic and the market is very turbulent. New routes are constantly being opened and at the same time a large number of routes are getting closed. A positive development for Danish air transport and the mobility of the Danes require that more routes are opened than closed.

The airlines also face large challenges.

The liberalisation of air transport has put a number of the established airlines and airports under considerable pressure. In recent years several airlines have closed or been bought by other airlines, for instance Belgian Sabena, Dutch KLM and Swissair from Switzerland. The aviation sector in Denmark is also under pressure and several airlines have had a financial deficit for a number of years.

Meanwhile there are considerable consolidations in the aviation industry at the European level. In Denmark the merger of Maersk Air and Sterling is an example of the consolidation trend. It is difficult to provide a concrete judgement of the effects of this merger, but it is possible, that the new company will not maintain all the existing routes to and from Copenhagen.

The Netherlands is very aware of the consequences for Schiphol Airport in Amsterdam after the merger between the Dutch airline KM and the somewhat larger Air France. The Netherlands thus has formulated an air transport policy, where the goals are to make the Netherlands more accessible by air and to maintain Schiphol's strong position.

The aviation industry is very focussed on reducing costs. However, the industry is facing increasing costs on a number of areas, including areas where the industry has little or no control over the development in costs.

In recent years the price of oil has increased dramatically and is now at 70\$/barrel compared to around 25\$/barrel 3-4 years ago. The tragic events on 11th September 2001 have also resulted in additional security requirements and this has caused a substantial increase in security cost for the aviation sector.

These development trends underline the fact that aviation in Denmark faces two important challenges:

- to maintain and expand the number of good air services to and from Denmark.
- to ensure that there continues to be a competitive aviation sector in Denmark.

The consequences for the Danish society, if we do not succeed in maintaining and expanding good direct air services will be considerable.

Direct air services are valuable among other for business travellers, for whom it can be time consuming to have to make a stop-over and maybe even stay overnight as part of a business trip. The economic value of direct air services to different intercontinental destinations can be estimated at 250 mil. DKK pr. year. In addition direct air services to a large number of European destinations also have economic value.

It is not only business travellers from Denmark who prefer to fly directly. The same applies to foreign business clients visiting business associates in Denmark. All else equal it is more attractive to do business in a country that is easily accessible.

When international companies and business groups make a decision regarding the location of their Northern European or Scandinavian head office, it is of significance how good the air services are. It is important that it is easy to travel abroad to visit customers and it is easy to reach the European head office. The issue is whether Denmark will be able to attract companies and high value jobs in the coming years.

Direct air services are also of great value to Danes, who go on holiday abroad, and for foreign tourist who are considering to visit Denmark.

Good air services are also important in connection with big arrangements where a large number of people are gathered. This could be an international conference where e.g. 10.000 people have to be flown in to the city where the conference is held.

Copenhagen is the starting point for a number of sea cruises and this means that guests from different countries have to be flown to the city before the cruise starts. Good air services to and from Copenhagen Airport are necessary if this market shall continue to develop.

The development in Danish air transport is therefore of great importance to both citizens and Danish businesses, including in particular internationally oriented companies, the tourist trade etc. For these

parts of the economic life, good air services are absolutely essential if the competitiveness of Denmark shall be maintained.

A competitive Danish aviation sector plays an important role for the Danish economy. The experiences from the closure of the Belgian airline Sabena in 2001 illustrate that it might be of extraordinary importance, whether there are airlines with base in the home country or not. When Sabena had to close in 2001, 17.000 jobs were lost, the number of direct air services from the airport was more than halved, three out of four intercontinental routes disappeared, the annual number of passengers was reduced by 5½ mil. and the role of Brussels as hub was almost entirely eliminated.

It is important for the Danish economy that Denmark has a competitive aviation sector. This is especially the case if we want to ensure that jobs are not lost to other European countries.

3. DEVELOPMENT PERSPECTIVES FOR DANISH AIR TRANSPORT

Where will Danish and Nordic airlines be in 10 years? How will the Danish airports develop and how will they do in the competition with airports in other countries? How good will air services to and from Denmark be 10 years from now and where should we concentrate our efforts to reach the goals?

To illustrate the development perspectives the Danish Ministry of Transport and Energy has asked the consulting company COWI to draw up and analyse a number of scenarios for the development in Danish air transport during the next 10 years. Three different scenarios have been analysed, where Danish air transport in 2015 is characterised as having either international reach, European reach or regional reach.

Today one can fly to more than 120 destinations from the Danish airports, see figure 1. But it might go both dramatically better and worse in the next 10 years. If Danish air transport has success, the number of destinations might be as much as 50 % higher than today. This will imply a considerable improvement in the transportation possibilities available to the Danes and in Denmark's opportunities for keeping and attracting new companies. However, there is also a risk of an actual decline in the number of destinations.

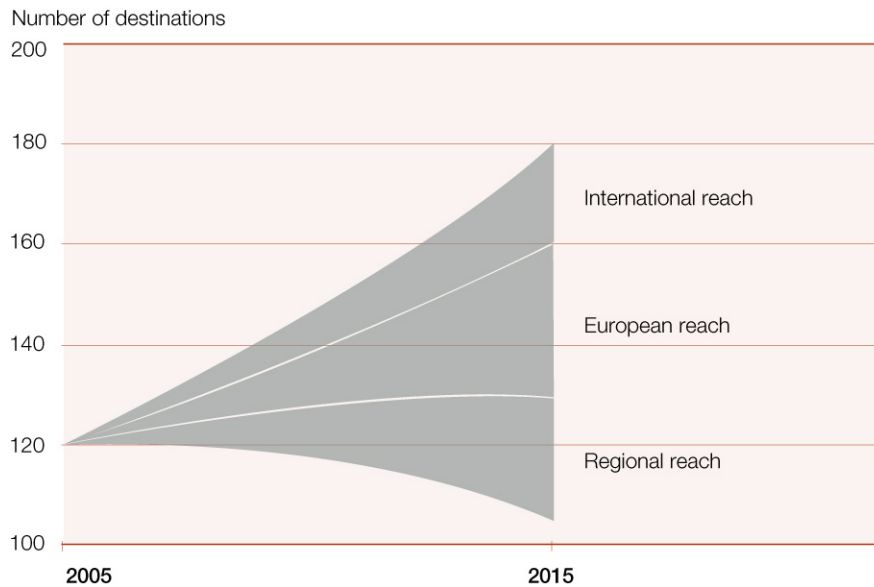
In the scenario with international reach there is a large number of both European and intercontinental air services. All together there are services to somewhere between 160 and 180 different destinations and it is possible that direct air services will be opened from Copenhagen to for instance Los Angeles, San Francisco, Miami and Hong Kong. In the scenario Copenhagen Airport is a large international hub attracting a large number of transfer passengers. From the regional airports a growing number of routes are also being established to and from European destinations and there is also growth in domestic air traffic.

In the scenario with European reach there are a large number of air services to many European destinations. However, there are fewer intercontinental air services and this implies that many travellers to for instance Asia or the US have to travel via Frankfurt, Amsterdam or London instead. All together there are air services to somewhere between 130 and 160 destinations.

Eurocontrol (the European organisation for air traffic control) regularly makes forecasts of the development in air traffic at European level, including Denmark. In many ways the scenario with

European reach corresponds to the expectations of Eurocontrol regarding the development in Danish air transport and illustrates how Danish air transport may develop if there are no dramatic changes in the aviation sector.

Figure 1. Number of destinations in three scenarios for Danish air transport 2015



In the scenario with European reach Copenhagen Airport is still competitive compared to the surrounding airports, but the international hub status of the airport has been weakened. The scenario underlines the fact that Danish air transport will lose ground if the growth rate is not high enough. This emphasises that it is necessary to carry out rather comprehensive measures to ensure a positive development in Danish air transport.

In the scenario with regional reach Danish air transport is under pressure. In 10 years Copenhagen Airport almost exclusively functions as a national hub and the number of international destinations is solely determined based on the demand from air travellers from Denmark. Domestic air services are reduced to traffic between Copenhagen, Bornholm, the Faroe Islands and Greenland and a few departures to the other airports.

The scenario with regional reach can be compared to the situation in Brussels Airport after the closure of Sabena, where Brussels Airport lost a very large share of its transfer passengers. In the scenario there are air services to between 105 and 130 destinations. This implies that travellers to different European destinations have to make a stopover in order to reach their final destination.

A positive development in Danish air transport can be self-perpetuating. The number of destinations and passengers depends on the number of passengers. More passengers can therefore increase frequencies and the number of destinations. Higher frequencies and air services to more destinations will attract more passengers, which again can be the basis for an increase in frequencies and more destinations. This would be of value to both the Danish population and the Danish aviation business.

At the same time the development has importance for a number of other aspects of Danish air transport and the Danish economy, including employment, the economic situation of the airports, the airlines and the many businesses that deliver services to the aviation sector.

An absolutely central question is of course, what can be done to create a positive development in Danish air transport.

The Danish aviation industry is responsible for ensuring its own competitiveness among other through innovation and renewal.

To a large extent the authorities can support a positive development in aviation by ensuring that Danish air transport has the best possible framework conditions. If Danish air transport is to have the desired development, the many different authorities, that deal with aviation, have to make use of a broad selection of means to create the best possible conditions for aviation in Denmark the next 10 years.

4. OBJECTIVES FOR DANISH AIR TRANSPORT 2015

The Danes will in the coming years experience an increase in the need to travel. Danish companies are still more dependent on co-operation and trade with companies abroad. And still more Danes will want to travel and experience more distant skies.

If Denmark just succeeds in maintaining the current number of international air services, then Denmark will fall behind, as other countries with a more positive development in aviation will overtake.

20-30 years ago flight trips were reserved for the wealthy, however, today both many young people and people with relatively low incomes choose to fly. This is among other things due to the fact that it has become much cheaper to fly e.g. the price of a return ticket between Copenhagen and Brussels was typically around 6.000 DKK 10 years ago. Today such tickets can be purchased at a price as low as 1.000 DKK. Domestic flights have also become much cheaper. 10 years ago the price of a return ticket from Copenhagen to Aalborg was more than 1.600 DKK, while such a ticket can be purchased for around 1.000 DKK today.

Danish businesses become more and more international, the trade with businesses abroad continues to expand and if merchandise has to be delivered fast, it is flown. Today Danish export companies choose to transport e.g. medical supplies, spare parts for cars and ships and fresh fish by plane. Correspondingly the import of HI-FI equipment, mobile phones and textiles is transported by plane.

Globally, according to Professor Jean-Paul Rodrigue from Hofstra University in the USA, 40% of the value of the total goods export is transported by plane, and airfreight is the fast growing mode of transportation. Also in Denmark the need for airfreight is growing. Globalisation implies that Danish businesses will specialise in products of high quality and with a high content of knowledge. If such goods are to be sold internationally, there has to be possibilities for getting these goods transported by plane to the customer.

Only large international airports have international air services to many countries. Today there are considerably fewer direct air services in Norway and Sweden because these countries do not have an international hub like Copenhagen. Thanks to the large number of transfer passenger, Copenhagen

Airport offers air services to as many foreign destinations such as Brussels Airport, even though Brussels has a catchment area that is three times as large.

Innovation and efficiency are key words for businesses, which have to survive on a market with fierce competition. Competition is fierce in today's aviation market and both airports and airlines are forced to deliver better and cheaper products e.g. everything from using aeroplanes, which consume less energy to changes in marketing strategy.

Based on this, the starting point for the next 10 years efforts can be the following general objectives:

1. Danes must have direct access to many more international destinations all over the world – with frequent connections at low prices.
2. Copenhagen Airport shall be an international hub for air traffic in all the Nordic countries and the Baltic Sea region, and the airport shall contribute to ensuring continued growth and dynamics in the Øresund region.
3. The good conditions for choosing to maintain efficient air services in the different parts of Denmark must be maintained.
4. Danish aviation must be safe, and the Danish aviation sector has to be innovative and efficient and think in new solutions regarding technology, environment and energy.

5. A COHERENT DANISH AIR TRANSPORT POLICY

The Danish Ministry of Transport and Energy has identified eight strategic focus areas that form the central framework conditions for the aviation sector in Denmark:

Strategic focus areas:

- Denmark works for common international framework conditions, including in the EU.
- The aviation sector has better economic framework conditions – among other because there are fewer administrative burdens.
- There is a good and constructive dialogue between the aviation sector and the authorities. The costs of various user-financed services, which are provided by public authorities etc., are kept at a minimum. At the same time the users are very satisfied with the services that are delivered in the aviation area.
- There is a high level of safety and security, and there is a reasonable balance between initiatives in the safety and security areas and their associated costs.
- There are good traffic connections to the central airports.
- Denmark supports initiatives aimed at increased efficiency and reduced congestion in airports as well as in the sky.
- Environmental and energy issues are handled on a broad international basis, and considerations for the environment, competitiveness and employment are balanced.
- Denmark has the best possible aviation educations.

Common international framework conditions

Aviation is very international. Therefore it is clear and completely necessary that the regulation of aviation takes place internationally. This applies to the UN international aviation organisation ICAO as well as the EU, including e.g. competition rules, security regulation, environmental regulation and the access to negotiate air service agreements with countries outside the EU.

In general it is an advantage for a small and internationally oriented country like Denmark that uniform rules apply in the aviation area as it makes Denmark more competitive. The government will work on including Danish interests when international rules in the aviation area are drawn up. Internationally the government will also work to increase liberalisation in the aviation sector – not least in other parts of the world, where there isn't free competition currently. The international co-operation shall ensure that aeroplanes are guided safely through airspace at as low costs as possible. Consumer rights shall be protected – also in the air. And international environmental regulation shall provide uniform global rules to the advantage of Danish citizens and citizens in all countries of the world.

It shall be possible for the aviation sector to take out the necessary insurance. However, the insurance companies have on several occasions warned that a situation may arise where it will not be possible to take out insurance with war risk cover on the international aviation market. In principle Denmark finds that a solution where the market itself provides the necessary insurance cover must be sought.

In order to take care of Danish interests in the best possible way, the Danish Ministry of Transport and Energy has carried out a number of initiatives aimed at strengthening the efforts in the EU work both in Brussels, in the department of the Ministry and at the Civil Aviation Administration.

Good economic framework conditions

If Denmark is to be an attractive country in an aviation context, it requires that the industry have good economic framework conditions. First and foremost a positive development in aviation has to do with the industry itself. However, internationally and in a Danish context authorities etc. can work to ensure that aviation has good framework conditions by working on ensuring the largest possible degree of international competition. The framework conditions also have to do with the amount of administrative burdens, the level of airport charges and the user payment for services provided by authorities and others.

Rules must be simple and effective. Administrative burdens are due to both international and national regulation and The Ministry of Transport and Energy will in co-operation with the aviation industry assess the possibilities for easing administrative burdens. At the same time Denmark will put more focus on the administrative burdens associated with implementing new EU-regulation.

However, an easing of administrative burdens must not be at the expense of the level of safety and security.

Looking forward the Ministry of Transport and Energy will also analyse how the regulation of Copenhagen Airport can be adjusted, in order for the regulation to support the airport's incentive to work for a positive traffic development. As a company listed on the stock exchange, the airport has a completely natural focus on ensuring a high return on the airport operations. Seen in this context it is important for the airport that there is a positive traffic development. However, the ability of the airport

to maintain and attract new air services is also interesting seen from a transport policy point of view.

The parties behind the agreement on the Budget for 2006 have decided that the air passenger tax of 75 DKK, which is paid on departure from a Danish airport, will be halved to 37 ½ DKK per passenger in 2006 and completely abolished in 2007. With this decision the parties want to support the framework conditions for the Danish airports and strengthen the basis for air transport in Denmark including domestic air transport. The abolition of the air passenger tax will among other things contribute to strengthening the basis for the regional airports and it may also lead to the establishment of more low cost air services and in this way give access to more departures and more destinations.

Flexible, attentive and efficient organisations

It is important that the authorities and the service providers in the aviation area deliver efficient services of high quality, because the more efficient the authorities etc. are, the lower the costs for the aviation sector will be. This especially because a large share of the public services in the aviation area are financed by the users. In addition to this there is a risk that if Danish authorities etc. do not deliver efficient services of high quality, the industry will choose other airports and Denmark will be passed over.

Increasing efficiency can entail personnel reductions. As part of increased efficiency at the Civil Aviation Administration and Naviair, large personnel reductions have been carried out in recent years. The number of employees has been reduced by respectively more than 8% and more than 7% over the past 3 years. Both the Civil Aviation Administration and Naviair also draw up productivity goals for their central activities.

Authorities and service providers must be user oriented. Both Naviair and the Civil Aviation Administration regularly carry out user satisfaction surveys among their customers. Such surveys can contribute to bring focus on the demands of the users and to identify areas where there is a need for change.

The Civil Aviation Administration has a good dialogue with the users and among other things carries out workshops with different user group; e.g. it holds flight safety meetings in co-operation with the Council on Greater Flight Safety, where private pilots (small planes) are informed about flight safety for general aviation.

The Ministry of Transport and Energy wants to have a good and constructive dialogue with both the aviation industry and other authorities that regulate aviation. In many contexts there are considerable advantages associated with drawing upon each other knowledge and experiences e.g. in connection with proposed new EU legislation or when negotiating bilateral air service agreements. The Ministry of Transport and Energy therefore wants to expand the dialogue e.g. within the framework of the Aviation Council.

Aviation is a safe and secure mode of transport

Aviation is and shall continue to be a safe and secure mode of transport. Within the Ministry of Transport and Energy Group it is an objective to maintain and strengthen safety and security, which is a special challenge given the growth in air traffic and the changes in the competitive conditions in the aviation industry.

In recent years the Ministry of Transport of Energy Group has implemented a number of initiatives in the safety and security area. E.g. the Civil Aviation Administration has introduced a system for mandatory reporting of flight safety events. This is a confidential reporting system, which provides valuable input to the efforts to prevent flight accidents and events in aviation. The system has been a model for the EU scheme, which has been introduced subsequently.

The government will have a sustained focus on safety and security in aviation and will work at ensuring that Danish and international rules in the area are at a high level in order for citizens to feel safe when aviation is the mode of transport. At the same time it must be ensured that there is a reasonable balance in relation to the costs, which inevitably are associated with comprehensive safety and security measures.

A good interplay with other modes of transport

It is characteristic that the aeroplane rarely can transport the passenger to his or her final destination. Good road or rail connections to the airports make it easier for the passengers to get to and from the airport and are important if one is to ensure a positive development in the airports.

In connection with the construction of the fixed link across Øresund good road and rail connections to Copenhagen Airport were established. The road connections to Billund Airport will also be improved in the coming years. When preparing future investment plans in the transportation area, the Ministry of Transport and Energy will also consider aviation in relation to road and rail projects.

Airfreight is also dependent on good multimodal connections. In several airports different kinds of projects that improve the interplay between the modes of transport have been implemented. The Ministry of Transport and Energy has also planned to carry out a project, where long trucks (the so-called long haulage transporters) are allowed to transport freight to Copenhagen Airport across the Øresund Bridge.

Less congestion in airports and in the sky

The Ministry of Transport and Energy will support and carry out initiatives, which are aimed at minimising air traffic delays. Air traffic delays are common. They can be caused by lack of capacity in both airports and in airspace. The delays cause inconvenience for the passengers and they are expensive for the airlines.

Increasing efficiency of air traffic management in the European airspace can reduce the delays in air traffic. Today the European airspace is divided into a number of blocks, which reflect national boundaries etc. This implies the aeroplanes have to follow certain flight corridors. However, within the EU there is agreement on establishing a so-called "Single European Sky", where the highways of the sky are straightened out, technical equipment is standardised and procedures harmonised. Denmark actively takes part in the work on how to introduce a "Single European Sky".

At the European level it is necessary to consider whether the total air traffic management system can be more efficient. Today Europe has around 50 control centres while in the USA 25 control centres manage twice as much traffic. To be prepared for this development Naviair has started a project with the Swedish Civil Aviation Authority, which includes preparing a basis for decision concerning stronger co-operation on air traffic management in Danish and Swedish airspace, including the possible establishment of a common control centre.

Focus on environment and energy

Air traffic has an impact on the environment and the aviation industry is very focused on the environmental dimension. Especially the increasing oil prices have provided an incentive to ensure as fuel economic flights as possible. In addition, the authorities regulate the environmental aspects of aviation e.g. noise. The Ministry of Transport and Energy will take an active part in a coming environmental approval of Copenhagen Airport in Kastrup.

Since aviation is a cross border mode of transport, it is only natural with an international approach to how different kinds of environmental questions should be handled, including in particular CO₂-emissions and the other climate impacts of aviation. It is important that possible decisions on reducing the emissions of green house gasses etc. are made on as broad an international basis as possible. At the same time it is important to ensure that concerns for the environment, competitiveness and employment are balanced.

The government wants to create the best possible framework conditions for a dynamic and innovative aviation industry that has focus on environmental solutions in aviation, which reduce fuel consumption and the environmental impact of aviation.

Aviation education prepared for the future

It is important that the employees in the Danish aviation sector have the necessary qualifications and that aviation educations meet international requirements. Denmark shall have the best possible aviation educations compared to those countries, with which we compete and co-operate in the aviation area.

The Ministry of Transport and Energy will initiate an analysis aimed at describing the aviation educations including considerations on how best to prepare the aviation educations for the future.

In the winter 2005/2006 a joint Nordic school for air traffic controllers will be established. This will increase the quality of the training as well as efficiency. The joint Nordic School for air traffic controllers will be established in a co-operation between Naviair from Denmark, the Swedish Civil Aviation Authority and Avinor from Norway.

By setting high requirements to the training in the aviation sector, the authorities can contribute to ensuring that there are the necessary conditions for creating innovation and dynamics in the aviation sector.

6. CONCLUSION

With this statement "Danish air transport 2015" to the Danish Parliament, the government has brought focus on the development in aviation in Denmark. Thereby it has established a basis for a debate on the future of aviation in Denmark.

Hereby the statement to Parliament ends.