



Air transport

Overview

Switzerland is a very well-connected country in the centre of Europe. Swiss airspace is very busy, so international coordination is very important. Switzerland needs competitive airlines that connect it with Europe and the rest of the world. These depend on stable and competitive framework conditions.

The Air Transport Agreement between Switzerland and the EU creates the best conditions for this. It regulates the mutual access of EU and Swiss airlines to the respective air transport market. Thanks to the Agreement, Swiss airlines enjoy largely equal access to the EU aviation market.

The Air Transport Agreement ensures a high level of safety and standardised rules in the area of aviation security. It also regulates Swiss participation in the European Union Aviation Safety Agency (EASA), which is responsible for international aviation safety regulations. Furthermore, the agreement also ensures Switzerland's participation in the *Single European Sky*, which aims to modernise the European air traffic control system.

The Air Transport Agreement is currently the only internal market agreement that already contains state aid rules. The Competition Commission (COMCO) is responsible for monitoring these rules in Switzerland.

Key elements

The amendments to the Air Transport Agreement enable the exchange of cabotage rights (8th and 9th freedom) that Switzerland has long sought. This means that Swiss airlines can offer flights within an EU member state, and EU airlines can offer domestic flights in Switzerland. Furthermore, Switzerland's participation in the SESAR 3 research programme is envisaged through its association to Horizon Europe. The research programme aims to modernise European air traffic control and promote new, pioneering technologies that are integrated into the market.

In addition, the institutional rules and regulations on state aid in the Air Transport Agreement were updated in accordance with the new institutional elements and state aid provisions. This will ensure that the Air Transport Agreement remains up to date and that there will be coherent rules in air transport.

Importance for Switzerland

The exchange of cabotage rights completes the process of reciprocal allocation of traffic rights between Switzerland and the EU.

The participation of Swiss actors in the SESAR 3 research programme enables the aviation industry, in particular air traffic control providers, airports and airlines, to invest in developing innovative technologies and procedures via dedicated funding.

Thanks to the expansion of its co-determination rights in connection with the dynamic alignment of legislation, Switzerland can contribute its expertise at EU level and actively participate in shaping decisions on relevant developments in EU law. This will ensure that the concerns of Swiss stakeholders in the aviation sector are incorporated into the corresponding legislative processes in the EU at an early stage.

The negotiated amendments strengthen the Air Transport Agreement and guarantee reciprocal market access under the same conditions and a high and consistent level of safety in the future.

Specifically

- **Greater choice of flight connections and improved passenger rights:** A Swiss customer has booked a flight to Lisbon. When they arrive at Geneva Airport, they see that the flight has been cancelled. The airline offers them an alternative flight the next day with an overnight stay, but the customer declines. In the end, the airline pays them a compensation. Under the Air Transport Agreement, they are entitled to assistance and support services as well as compensation in the event of delays or flight cancellations. Switzerland has adopted the EU passenger rights, which are therefore also mandatory for all flights from Swiss airports. But the Air Transport Agreement has further advantages for the customer: thanks to the Agreement, Switzerland is better integrated into the EU aviation network, which means that it has a greater choice of flight connections.
- **Harmonised safety and security regulations:** The customer flies a week later. Thanks to harmonised regulations, the security checks run smoothly and as expected. The harmonised requirements for operators ensure a high level of safety in civil aviation and efficient security checks at the airport.
- **Market access for the Swiss aviation industry:** The Swiss aircraft manufacturer Pilatus and start-ups in the drone industry depend on easy and reliable access to the EU market. Thanks to Switzerland's membership in the European Union Aviation Safety Agency (EASA), type certificates of products from Swiss manufacturers are harmonised with those of the EU. This allows the Swiss aviation industry to sell its products in the EU without market restrictions. Furthermore, Switzerland can influence the certification requirements for aircraft and their components thanks to the co-determination rights in the EU legislative process laid down in the Air Transport Agreement. This secures valuable jobs and strengthens Switzerland's standing as a business location.