LUFTHANSA WARNS UK AIRLINES OF BREXIT CLOUDS AHEAD

News / Airlines

The Deutsche Lufthansa chief executive Carsten Spohr expects France and Germany to take a hard line against the UK aviation industry in Brexit negotiations, threatening to disrupt flight connections across Europe.

"Brexit means Brexit – our industry won't be exempt," said Mr Spohr, who has accompanied the chancellor Angela Merkel on state visits and discussed the matter with German, French and EU officials. "The basic approach is for every industry to say 'hey, let's pretend that nothing has happened.' That's something the governments, and also the EU Commission, won't go along with. You can be sure about that, from what I hear."

Flights between EU nations are regulated by the Single European Sky treaty and the United Kingdom will probably need a new agreement once it leaves the bloc. In addition, British carriers that fly from one European state to another will probably require an operating licence based somewhere on the continent. The UK is set to leave the common market two years after the divorce process is officially triggered on Wednesday.

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It will be "virtually impossible" for governments to reach a comprehensive agreement in the time available for talks, said Mr Spohr, the chief of Germany’s largest airline. That means there will be a transition period with likely disruptions as the sector adjusts to new rules, he said.

A German transport ministry representative recently told a group of parliamentarians at a closed meeting that Britain would probably lose its membership in the Single European Sky agreement and that a new deal would then need to be negotiated, according to a person who attended the discussion and asked not to be identified.

UK airlines including easyJet and the British Airways owner IAG have called for the Britain and the EU to secure existing free access. While IAG already has several European operating certificates via its continental arms such as Spain’s Iberia, England-based easyJet is still in the process of establishing an air operating certificate in an EU state.

The Airports Council International trade body indicated last week it would need an agreement as many as 18 months ahead of the exit to avoid network disruption during a switch to new regulation. Ireland’s Ryanair is asking for a 12-month window to adjust its routes and ticket sales once the rules are decided.

A change could cut both ways. As an EU carrier, Dublin-based Ryanair would require a licence to operate its handful of UK domestic flights. The company, which draws about 40 per cent of its customers from Britain, has said it may have to forego its intra-UK routes after Brexit.

Mr Spohr is expecting Mrs Merkel and the French president François Hollande to oppose special treatment for the industry, in spite of calls from the likes of the British transport minister Chris Grayling to prioritise the airline sector in Brexit negotiations.

"The UK airlines say they want a shortcut," said Mr Spohr, who accompanied Mrs Merkel on a trip to China in June. "But that’s something Mr Hollande and Mrs Merkel won’t do."

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