



A national protocol for UK route development funds

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Introduction

Policy background

The Air Transport White Paper ^[1] sets out the UK Government's support for the sustainable development of regional airports and air services in order to:

- support the growth of the economies of Scotland, Wales, Northern Ireland and the English Regions;
- relieve congestion at more over-crowded airports, particularly in the South East of England and therefore make better use of existing capacity;
- reduce the need for long-distance travel to and from airports; and
- give passengers greater choice.

In response to this agenda, the White Paper invited the Welsh Assembly Government and English Regional Development Agencies to consider whether or not they would wish to set up Route Development Funds (RDFs) of a similar nature to those already in existence in Scotland and Northern Ireland. Such RDFs could, where there is evidence of the requirement for limited and carefully targeted start-up aid, facilitate the development of new direct services to important business and inbound tourism markets from regional airports that are underperforming relative to their peers.

It was envisaged that the establishment of further RDFs in Wales and in the English regions outside the South East and East of England could assist regional economic development by helping to attract new routes that will enhance connectivity to important domestic and European markets. This has the greatest potential to occur where prior assessment indicates new route formation is capable of contributing to:

- improved productivity in high value aviation-dependent economic sectors within the region;
- the success of regional inward investment initiatives; and
- the development of inbound tourism markets in the region.

It was also anticipated that such RDFs would make a contribution to the better utilisation of airport infrastructure in the regions concerned and could help to relieve the increasing pressure on congested South East airports.

With this in mind, eligible regions without RDFs were invited to consider whether or not targeted route funding:

- would help to meet their regional economic objectives;
- is the most appropriate form of intervention for their respective areas;
- offers good value for money; and if so
- whether a clear case for intervention has been established.

Purpose of a Protocol for UK RDFs

A previous version of this Protocol (the Original Protocol) was issued by the Department for Transport on 30th June 2006. Both the Original Protocol and this Revised Protocol have been prepared to provide a framework of rules and guidance for RDFs where regional assessments have provided evidence of the

need for an RDF and concluded that it would be economically beneficial, and where relevant public authorities have been willing to allocate financial and other resources to support its operation.

Public sector organisations which are considering establishing an RDF must therefore agree to abide by the terms of the Original or Revised Protocols (as appropriate) if they are to become a recognised RDF Operator.

The Protocols have been designed to ensure that RDFs that abide by their terms and guidance:

- are in line with the objectives of the White Paper on regional airports;
- comply with UK and European Union law, especially in respect of State aids and competition policy;
- operate on a consistent basis ensuring transparency, non-discrimination and proportionality; and
- work with the market to provide carefully targeted, time-limited interventions which help to share the risk of route start-up from regional airports with airport operators and airlines.

The Protocols set out operational guidelines for RDFs in Wales and the North East and North West regions of England, which have been approved by the European Commission under the terms of Articles 87 and 88 of the Treaty of Rome. The Secretary of State for Transport is responsible to the Commission for the implementation of State aid policy in relation to transport in the UK on behalf of the UK Government. RDF Operators should therefore inform DfT if they become aware of any complaints to the Commission regarding their activities or any legal proceedings taken against them.

The Original Protocol governs the operation of compliant RDFs in Wales and the North East and North West regions of England until 1st June 2007, after which Member States are required to bring their State aid schemes fully into line with the European Commission's guidelines on the provision of State aid for start-up routes from regional airports ^[2]. This Revised Protocol, which must be read in conjunction with the guidelines, amends the compliance criteria for RDF offers to ensure consistency with those contained in the guidelines themselves. The Revised Protocol applies to all aid awarded in respect of routes which **commence services** after 1st June 2007.

Under the terms of the European Commission approval of 17th May 2006, no new route eligible for funding under the RDF scheme can commence operations later than 17th May 2011.

[1] The Future of Air Transport (Cm 6046, December 2003)

[2] Communication from the Commission: Community Guidelines on Financing of Airports and Start-up Aid to Airlines Departing from Regional Airports (OJEC 312, 9.12.2005, p.1).

Key Principles

The Policy and Legal Context

In preparing this Protocol we have sought to reflect a range of relevant policy and legal principles developed at European, national and regional level and draw them together in a framework for RDF operators.

In a European context, we have had regard to the European Commission's Transport White Paper, the key aims of which can be summarised as improving transport connections between all areas of the European Union, by developing new links and removing bottlenecks, in order to allow access to the European Single Market and enable it to operate more competitively and therefore efficiently. As noted in the preceding section, we have had particular regard to the European Commission's guidelines on State aid to regional airports and start-up aid to airlines in preparing this Revised Protocol.

At national level, as explained in the preceding section, the UK Government is committed to encouraging the growth of regional airports and to stimulating regional economies, and in its 2003 White Paper invited the Welsh Assembly Government and English Regional Development Agencies to consider whether or not they would want to make use of an RDF in circumstances where there is evidence to demonstrate that this mechanism represents an appropriate form of intervention. The Original and Revised Protocols and the associated Appraisal Framework provide the practical delivery tools through which the Government envisages implementation of the policy by individual regions will take place.

Regionally, RDFs will be used only in clearly defined circumstances and will be targeted to help deliver specific economic aims and objectives contained within sponsoring regions' economic and transport strategies. RDFs should be based on a thorough appraisal of regional need provided by an assessment of comparative regional connectivity and the estimated economic benefit that would flow from the introduction of additional new direct services under the schemes.

The Objectives of RDFs

The objectives of RDFs are to:

- create net economic benefits for the region in which the Fund is operating by improving the connectivity between the UK regions and their domestic and European counterparts;
- make best use of existing and potentially available capacity at regional airports; and
- help to ease pressure on capacity bottlenecks, current and prospective, at airports in the London system.

They are designed to work with the market to support new air services by sharing risk during the period of route start-up. As such, RDFs can potentially provide a mechanism that allows regional economic development agencies to bring forward the commencement of new air services that are expected to become commercially sustainable in the medium term, thereby securing the resultant economic benefits to be derived from additional connectivity from the region's airports.

RDFs are **not** intended to support services that have the potential to be commercially viable without assistance, that serve primarily outbound leisure markets, or that will not be commercially sustainable in the medium term. RDFs are expected to be strictly short-term measures providing limited sums for start-up assistance over a maximum period of three years. They are not intended to distort existing competition by bringing forward routes at one airport that will significantly affect the viability of existing routes from another with a shared catchment area.

RDFs should **only be established**, therefore, where:

- a prior assessment and scoping report indicates that the development of new routes from airports within the region or sub-region in question will bring demonstrable economic benefits and make better use of regional airport infrastructure; and
- there is a case for intervention, in the form of time limited start-up aid to facilitate the development of routes which would otherwise not be commercially viable in the short term, and which is both appropriate and economically justified.

In these circumstances funding may be appropriate, but only where:

- it is applied to new routes

[3] , particularly where markets are not served or under-served within the region;

- time cost can be built into the appraisal (e.g. where regional passengers are required to make long and time-consuming surface journeys or change flights at congested hubs);
- it can be used to support routes serving business or inbound tourism markets of demonstrable economic benefit to the region;
- the routes will enable more effective use to be made of existing infrastructure at regional airports and/or help to relieve pressure at congested airports in the South East and East of England by offering attractive alternatives for passengers with regional origins or destinations; and
- the route-specific economic appraisal of each new route considered for funding supports the case for targeted intervention and demonstrates good value for money.

The maximum amount of aid that might be awarded from an RDF must be strictly linked to the additional start-up costs incurred in launching the new route and which the air operator will not have to bear once the route is up and running. Aeronautical charges levied by airport operators will constitute part of the ongoing costs of operating a service, and cannot therefore form part of the eligible costs against which the maximum amount of aid should be calculated.

Once awarded to an airport operator, RDF aid can be paid directly to meet eligible costs such as those incurred on the installation of facilities and the marketing of a new route. Alternatively, it can be paid in the form of per-passenger discounts on the aeronautical charges which the operator of the new service will incur. Further details on the calculation of eligible costs, maximum aid ceilings and how marketing support should be provided and the thresholds for new routes are set out in the next section.

Establishing and Operating an RDF

Establishment of an RDF should be based on an initial assessment of the nature and potential benefits to be gained from such a mechanism, its scope, and its associated resource requirements. The aim would be to:

- demonstrate that the region's economy could benefit from an RDF;
- conclude that there is evidence of market failure or welfare loss that would be corrected through time-limited assistance to routes that would help to improve regional connectivity;
- identify the priorities for an RDF if set up; and
- assess how the RDF would fit with relevant policy frameworks and strategic investment priorities for each region (e.g. the Regional Economic, Spatial and Transport Strategies).

This will allow a clear strategic rationale to be developed that can inform decisions on whether or not an RDF should be set up, and will allow its core objectives to be specified.

RDF governance arrangements

Management of an RDF must comply with the principles of EU law and the guidance set out in this document. It is important, therefore, that there are:

- clearly defined responsibilities and reporting lines within the RDF;
- well documented processes, including rules of operation; and above all,
- a transparent audit trail of RDF activity, including applications appraisals, decisions, offer letters, formal acceptances and payments.

Funding Applications

To ensure that RDFs are operated in a transparent and non discriminatory way in line with EU guidelines, access to the RDF must be open to all airport operators in the defined area of operation, and the application process and decision-making criteria used to determine which applications receive offers for funding support must be objective and transparent. All processes must be compliant with the requirement for good public governance, be clearly auditable and transparent in their allocation of resources.

This implies publication in the rules of operation of:

- a standard proforma setting out in detail the information which applicants are required to provide;
- the RDF's key objectives;
- an indication of how it will apply thresholds and weighting to different aspects of the appraisal process; and
- a dispute resolution procedure (see below).

But it does not mean that the detail of the appraisal or offers, especially where they would involve revealing market and commercially sensitive information, should be published. RDF Operators must be free to negotiate with applicants to secure the best possible value for the RDF's resources.

RDF Operators will need to seek advice, therefore, on which information should be publicly available and which may fall within the absolute or qualified exemptions provided for under the Freedom of Information Act 2000 and design their proforma and reporting process (both internal and external) accordingly.

Funding contracts will be between the RDF Operator and the airport operator. Consequently, any request for funding should be made by the airport operator, **not the airline** proposing to operate the route.

Appraisal of Applications

It is important that the assessment of new routes is carried out on a transparent, objective and consistent basis. It must first and foremost ensure that where funding is offered, it complies with the EU guidelines on State aid and is compatible with the target-based frameworks within which English RDAs and the development agencies of the Devolved Administrations and Northern Ireland Administration operate.

All applications for investment by the RDF in route start-up should be evaluated using a common process and against a range of criteria (i.e. commercial performance, economic benefit, and social and environmental impact), which are consistent with appraisal methodologies used to evaluate other transport and economic development projects in the UK.

An 'Appraisal Framework', specifically designed to meet these requirements in relation to start-up funding for new air services, has been developed by the UK Government. It provides guidance on the appraisal process and contains recommendations on minimum economic benefit thresholds, weighting and scoring of the appraisal criteria.

Payment

Payment by the RDF is made on the receipt of invoices, supported by appropriate information about the operation of the route, provided by the airport operator.

Performance Review and Reporting

All RDF Operators will be expected to review the operation of the RDF, the proposals received, offers made and anticipated economic benefits and impacts as part of an annual assessment of its performance. An annual report should be prepared for each financial year and submitted to DfT within three months of the end of the period covered. DfT will use this information to report progress annually to the Commission and to publish an annual list of routes receiving aid. When submitting its report, it will be necessary for the RDF Operator to identify any commercially sensitive information which should not be made publicly available.

Dispute Procedures

A number of potential areas of conflict or dispute could arise, including:

- complaints from unsuccessful applicants;
- complaints from airport operators within a region with an RDF;
- complaints from airport operators in regions with no RDFs.

Any disputes should be directed to and dealt with by the RDF Operator, which will be expected to explain, within the scope allowed by commercially confidential agreements between the RDF Operator and the applicant, why a particular route or airport received support and others did not. This is because they are best placed to do so and are most likely to be able to offer the quickest redress. For these purposes, the RDF Operator should ensure they have in place a disputes resolution procedure, under which the decision-maker must be a person who is independent of the RDF management board, and of any other person involved in making or advising on the decision under dispute. Ultimately, of course, a complainant can resort to the UK courts to seek redress, especially where the complaint relates to the administration of the RDF.

While the aim is that all domestic avenues for dealing with a complaint should ideally be exhausted before an aggrieved party feels the need to seek recourse from Europe, potential complaints can be referred to the EU Commission. If the complaint is upheld, then the RDF Operator could be asked to re-claim money provided by the RDF and pay any fines imposed by the Commission.

[3] RDFs can be used to support both new services to previously un-served airports and also, in certain circumstances, for increasing service frequency on existing routes (see below for further discussion of the latter).

Essential RDF Operating Requirements

Introduction

The following operating procedures and criteria are considered essential if RDFs are to meet their EU State aid obligations and national and regional policy and value for money objectives. RDF Operators who agree to abide by this Protocol are expected to meet these provisions and be able to demonstrate that they have done so through the way their RDFs have been structured and operated. Clearly defined audit trails will need to be in place to meet these requirements.

RDF Governance

It is suggested that RDFs should have clearly identified roles and responsibilities along the lines of those set out below:

Management Board:

- To agree the region's aims and objectives for the RDF, including potential target markets for new air services;
- to make decisions on which applications to the RDF should receive approval; and
- to manage RDF officers and advisors and hold them to account.

The Board should include representatives of the key sponsoring organisations and should reflect the broad range of economic interests the RDF is seeking to support (e.g. local businesses, tourism). But it should not include airport or airline interests or other representatives from the aviation sector.

Accounting Officer

- To take responsibility for securing financial contributions to the RDF;
- to approve payments by the RDF; and
- to provide audited accounts and report to the Management Board on all aspects of the financial control of the RDF.

RDF Manager

- To be responsible to the Management Board for preparing and securing the approval of the Management Board for the RDF strategy, its rules of operation and the application and appraisal process;
- to appoint external aviation and legal advisors to the RDF where these are required and manage those contracts;
- to manage the external negotiation (e.g. with airports and airlines), route appraisal and internal decision making procedures of the RDF, including provision of Board reports and a verifiable audit

- trail; and
- to undertake performance tracking and reporting.

RDF Advisors

In addition to access to legal advice, an RDF Operator may require assistance from a third party (e.g. an existing RDF Operator) or specialist consultants to set up and administer the RDF. This could include developing the RDF strategy, undertaking negotiations with airlines and airports, conducting commercial and economic appraisals, liaising with stakeholders and preparing performance reviews and reports. The RDF Manager will need to ensure there are no conflicts of interest, nor are there seen to be any, when making such appointments and continue to maintain vigilance in this regard.

With this in mind, although consultants can potentially make an important contribution to the management of the RDF and appraisal of applications, reporting to the Management Board should be led by the RDF Manager and all decisions as to which routes to fund must be made by Management Board.

Provision for the cost of external advisors should be made within the RDF budget, and it is recommended that this does not exceed 10% of Fund value. RDF Operators will need to consider whether the likely cost of any contracts with consultants will require adverts to be placed in the Official Journal of the European Union (OJEU).

In terms of Board representation, in addition to the funding partners, it is likely that involving external business, tourism and transport expertise will contribute to the quality of decision making. Equally, where they are not already funding partners, regional stakeholders who can bring a broader regional perspective could also be invited to join the Board. This implies careful consideration at the outset of how an RDF can best be integrated with other aspects of RDF Operator/partner activities to ensure that maximum awareness exists of the objectives and potential benefits of the RDF.

Advertising the Fund

In advertising the availability of the RDF and its aims and objectives, the following procedures must be followed by all RDF Operators signing up to the Protocol to ensure compliance with EU requirements relating to transparency, openness and non-discrimination:

- RDF Operators must ensure that all the airport operators in their region are advised in writing of any RDF and its eligibility criteria;
- RDF Operators must take reasonable steps to ensure that all airlines (including both UK carriers and those of other EU Member States) which might have an interest in serving the airports covered by the RDF are aware that an RDF has been established, and advertise the Fund, for example in the professional aviation press and/or on their (and their partners's) web sites. The rules and principles relating to public procurement must be respected where applicable.

Procedures to Ensure Value for Money

It is important to build in safeguards to ensure that the minimum necessary public money is paid to achieve objectives in order to prevent subsidy of commercially viable routes. Safeguards include the Appraisal Framework; the State aids rules; and RDF Operators assessing new service proposals independently. It could also be useful for RDF Operators in different regions to share information, while preserving commercial confidentiality, sufficiently to know whether more than one airport is negotiating with the same airline for a similar route.

The Appraisal of Applications

In addition to providing a common basis for appraisal, the appraisal process needs to:

- ensure value for money using best available analysis and appraisal techniques;
- indicate that a route cannot operate to acceptable levels of profit or loss during the initial start up period without assistance, but that it has the potential to reach commercial viability within an appropriate time-frame, typically through tapered funding for a maximum of three years for each route;
- verify that the quantified economic benefit of a proposed new service exceeds the proposed level of investment;
- analyse the impact of a new service on those already in existence from airports with overlapping catchments to ensure that public funding is not being used simply to displace or redistribute traffic from one airport to another.

Market distortions can be assumed to have occurred where funding a route would:

- cause the loss of an existing service from another airport serving the same catchment area;
- bring about a material reduction in frequency of such a service; or
- lead an affected carrier to reduce significantly the seating capacity of the aircraft it is operating on the route.

Any approach by an airline which would involve moving a service from one UK airport to another serving broadly the same catchment area should be turned down.

Key Compliance Criteria for award of RDF aid

The following criteria must be met:

- RDF offers should only be made where the proposed air carrier has a valid operating licence issued by an EU Member State pursuant to Council Regulation (EEC) No. 2407/92 on licensing of air carriers

^[4] and can only be granted in respect of intra-EU routes;

- RDF offers cannot be made to large Community airports with more than 10mppa and can only be made to national airports

[5] having an annual passenger volume of between 5 and 10mppa with Commission clearance (although RDF offers may be made in respect of routes between a suitable airport in a fund operator's region and any other EU airport, irrespective of the size of the latter);

- RDF offers should only be made where it can be demonstrated that the service successfully passes the appraisal criteria of the RDF in question and will attract significant business or inbound tourism traffic;
- RDF offers must be time limited and support should not be offered in respect of any route for a period in excess of three years;
- The period for which RDF aid is offered must be substantially less than the period during which the airline concerned undertakes to operate the route;
- RDF aid offered cannot, in any one year, exceed 50% of total eligible costs for that year, and total aid cannot exceed an average of 30% of total eligible costs over the period in which a particular route receives support funding

[6] (for the meaning of eligible costs, see below);

- RDF offers can only be made to "new" services between unserved city pairs,

[7] or, in some circumstances, increased frequencies on existing routes, and should not be made in retrospect where a route has already been announced. For further details on the meaning of "new" services, see the section on Thresholds for New Routes below;

- Where an airline proposes to extend the frequency of existing services, the additional services only will be eligible for support (see further paragraph below);
- A route which has demonstrable economic benefit but which is only financially viable when operated on a seasonal basis may be eligible for support;
- A new service which involves switching a service from one airport in the region to another will not be eligible for RDF support. Any new service should result in an increase in the net volume of passengers and not simply encourage traffic to relocate from one airline or company to another;
- To ensure non-discrimination any airline that proposes to serve the same route as one already receiving RDF support within the first season following the offer of funding support by the RDF Operator is eligible to receive a similar offer by the RDF, subject to satisfactory appraisal and unless that airline has already had a fair opportunity to bid for start-up aid from the RDF on that route;
- If an offer is made to an airline and a second carrier announces the same city pair without funding, the offer from the RDF will fall. (This assumes the second airline's plans are well advanced, as evidenced by, for example, its selling seats for the route). Funding can only proceed if the original airline has already publicly announced its intention to serve the route and the services announced by the second airline will not be sufficient to meet regional economic objectives;
- Where a carrier recently ceased flying a particular route without RDF support, they are unable to apply for funding to re-start operations between the same city pair within two years of stopping. Should an alliance partner of that airline apply for funding, the period falls to 6 months;
- If an airline starts a service with RDF assistance and stops during the agreed funding period, the remainder of the offer can be taken up by another carrier to ensure continuity of service, subject to appraisal by the RDF Operator;
- Clawback provisions for payments made towards marketing and installation costs should be devised by RDF Operators to cover circumstances in which a carrier withdraws from a service within the

period of investment but after payments have been made;

- RDF offers should be degressive (decreasing year by year) and linked with the development of the route. For example, the amount of aid per passenger should decrease with the net increase in traffic;
- Once an offer has been made by an RDF, it cannot be extended or converted to a PSO.

RDF payments can be made in the form of per-passenger discounts on the aeronautical charges which the operator of the new service will incur, but only if the following conditions are satisfied:-

- discounts should not exceed the limits set out above;
- discounts can only be paid to the airport operator after it has been shown that the passengers have been carried by the airline.

Meaning of "eligible costs"

Eligible costs to determine the maximum amount of RDF support allowable must be strictly linked to the additional start-up costs incurred in launching the new service and which the air operator will not have to bear once it is up and running. Examples of such costs include the marketing and advertising costs incurred at the outset for publicising the new link and installation costs incurred by the airline at the regional airport in question in order to launch the route.

Conversely, standard operating costs such as hire or depreciation of aircraft, fuel, crew salaries, aeronautical charges or catering costs do not constitute eligible costs.

Eligible costs must correspond to the real market value of the costs.

Marketing Funds

In relation to any funding investment in marketing spend, the preferred vehicle is a marketing plan covering one or more specific routes, agreed by the RDF Operator and relevant airports and airlines. The plan should set out the need, scope and scale for marketing spend, including its key objectives, targets and outcomes, and where, when and in what form expenditure will be incurred. These in turn must relate directly to the promotion of the route with the aim of making it viable without aid after the initial three year period of RDF investment and involve the identification of measurable criteria which will allow the impact of the marketing support to be properly understood.

In most cases it is anticipated that the marketing plan will focus principally on end destinations rather than home markets, although there may be some exceptions. Any public funding will require matching contributions from the airport operator and/or airline and should be cost reflective with payments being triggered only once agreed costs have incurred; it should not be paid directly as a lump sum to an airline.

The RDF can also contribute to broader strategic initiatives such as attending route conferences and travel fairs, preparing market specific intelligence, working with the business and tourism communities in the Fund area to raise awareness of its existence and positioning the RDF in the marketing materials of other organisations.

Thresholds for New Routes

Where a route has not been served at a frequency that is sufficient to meet regional economic objectives (the minimum frequency to be determined on a region by region basis), funding can be used to support an increased frequency of service to the level assessed as desirable by the RDF Operator.

RDF Operators should devise minimum service level thresholds for new routes which should be published as part of the fund's rules of operation. The route thresholds will vary by region but must be clear, justified by appropriate evidence and applied in a non-discriminatory manner.

In the event that a route has been served at a lower frequency than the minimum requirements, only those agreed additional frequencies to be operated by the existing or a new operator will be eligible for investment. Incumbent operators should be eligible for funding on the same terms as new operators.

Declaration of Other Aid

Under the terms of this Protocol, RDF Operators should require all applicants for funding to make a declaration of other aid. The aim of this is to identify whether other sources of public funding, which might count toward start-up aid limits, has been applied for or secured.

Cross-regional funding

Where airports are located on the periphery of a region, there is a very real likelihood of an RDA being unable to realise some of the economic benefits of its investment within its region as some will arise across the border. While it is accepted that there will always be some cross-border surface leakage from any area, unless the investment forms part of a joint initiative with a cross-regional scope, RDAs will need to show that the investment can be justified in terms of efficient use of resources to benefit their region. The appropriate approach needs to be considered on a region by region basis.

In some instances, for example, it may be more beneficial for a region to support an airport outside of its boundaries in order to provide direct benefit to target regeneration areas. Although the Devolved Administrations for Scotland, Northern Ireland and Wales cannot invest in RDFs outside of their respective borders, there is potential for the English RDAs to do so if they believe it would be beneficial to their region.

[4] See points 79(a) and 79(b) of the Commission Guidelines. The former restriction can extend to include carriers registered in Norway, Iceland or Liechtenstein, which are members of the European Economic Area, but not in Switzerland.

[5] Both 'large Community airports' and 'national airports' are defined in paragraph 15 of the Commission guidelines.

[6] More generous aid intensity ceilings and duration provisions apply in relation to services operated from disadvantaged regions. See the second paragraph of point 79(f) of the Commission Guidelines.

[7] For the purposes of determining whether a particular city pair is 'unserved', it is necessary to take into account high-speed rail services as well as existing air services.

Other provisions

The European Commission's Guidelines on Airport State Aid and Start-up Aid make clear that they will want to consider all start-up aid schemes supporting the development of new air services where they involve public funding. The Original and Revised Protocols form the basis of an approved 'scheme' for start up aid granted in accordance with their terms in Wales and the North East and North West Regions of England until 17th May 2011.

DfT will:

- secure commitments from RDF Operators to comply with the terms of the Original or Revised Protocol (as appropriate);
- give the European Commission an annual report on the operation of RDFs and their outputs;
- publish annually a list of routes receiving aid; and
- address questions from RDF Operators arising from interpretation of the Original or Revised Protocols.

Participating RDF Operators may be asked by DfT to:

- provide relevant information on the operation of the RDF;
- and take action to remedy any non-compliance.