

ACI EUROPE Feedback on Phase 2 of the EIB Group Climate Bank Roadmap and Energy Sector Orientation

On behalf of the European airport community, ACI EUROPE (Airports Council International Europe) welcomes the opportunity to contribute to the consultation on Phase 2 of the EIB Group Climate Bank Roadmap (CBR) and the Bank's Energy Sector Orientation. We wish to underline the following points of utmost importance to ensure that Europe's airport sector can continue to support both the decarbonisation and connectivity goals of the European Union.

We would like to raise the attention to the urgent need for the European Investment Bank's (EIB) to adjust its Climate Bank Roadmap (CBR) to allow lending to airports for capacity expansion.

This adjustment is necessary following regulatory developments including the entry into force of the European Union's Fit for 55 legislation and industry pathways for decarbonisation. The EIB's continued engagement is crucial to ensure necessary transition investments happen in the hard-to-abate air transport sector while at the same time preserving the competitiveness of Europe, as per the Draghi report.

We note that with the current Climate Bank Roadmap:

- EIB lending policy towards airports is not aligned with EU policy, which seeks investment to reduce congestion in the air and on the ground.
- EIB policy treats airports differently than other transport modes.
- EIB is the only international financial institution that does not finance airport capacity expansion.

Altogether, limiting the scope of the Bank's operations to airports makes it harder to finance climate action as well as mandatory investments in security, operational resilience and defence. We therefore call on the EIB to align with EU and international practice and enable lending to airports for capacity expansion.

Airports are strategic economic engines for Europe

What distinguishes Europe's airports along with the broader aviation ecosystem is their unmatched ability to catalyse and sustain a wide range of economic activities. Specifically, airports: **enable trade and productivity growth; attract both domestic and foreign investment; drive robust tourism sectors; and support higher employment rates across multiple industries.** This positions air connectivity as an irreplaceable driver of both **national and European competitiveness.**

Research from SEO Economics¹, published in 2024 re-confirmed that airports transcend their role as mere transit points to stand as **cornerstones of the European economy**, delivering extensive **socio-economic benefits**. This positions the sector as a high-impact investment priority that reinforces **competitiveness, inclusive growth, and resilience**, fully aligned with the strategic recommendations from the Draghi report.

The same research shows that Europe's airports and the air connectivity they facilitate underpin **14 million jobs** and generate an annual **€851 billion in GDP**—approximately **5% of Europe's total economic output**. Moreover, every **10% increase in direct air connectivity correlates with a 0.5% rise in GDP per capita and a 1.6% increase in employment**. Beyond boosting regional economies, the European airport network is instrumental in fostering the **economic development and cohesion of communities**, enhancing access to markets, education, and social well-being.

The broader societal impact of airports and improved air connectivity significantly contribute to advancing the United Nations Sustainable Development Goals. Specifically, **a 10% increase in direct connectivity is associated with a 14% reduction in poverty, 9% improvement in education, 19% progress in gender equality, 8.5% growth in research and development, and a 1.2% rise in life satisfaction**. This underscores how airports support not only economic prosperity but also social cohesion and the European social model.

The EIB's financing approach should acknowledge the critical socio-economic and cohesion role of airports, supporting capacity expansion aligned with sustainability objectives to foster balanced regional development.

Europe's airport system is approaching a capacity crunch

It is essential to recognise that **air connectivity relies on adequate capacity at both ends of a journey**. Having sufficient airport infrastructure at departure and arrival points is vital to ensuring effective mobility and economic inclusion, especially for remote and peripheral regions. As the European airport network underpins regional development and cohesion, maintaining balanced capacity is necessary to avoid bottlenecks that can isolate communities and limit their participation in the broader European economy.

Europe faces an imminent airport capacity shortfall, with projected demand for air travel expected to exceed current infrastructure limits. Without timely and strategic investment, EU consumers and travellers will face increased delays, higher costs, and reduced connectivity.

Eurocontrol's projections for European Air Transport² demand show continued growth, with a total increase in flight movements of +52% by 2050 compared to 2023. Without urgent and strategic investment, **airport capacity constraints will limit growth – resulting in 7% of demand (1.1 million flights) unaccommodated by 2050** in the base scenario. This shortfall translates into **130 million passengers** unable to fly, resulting in reduced connectivity, higher travel costs, and increased

¹ The economic and social impact of European airports and air connectivity, SEO Economics (October 2024), <https://www.seo.nl/en/publications/the-economic-and-social-impact-of-european-airports-and-air-connectivity/>

² EUROCONTROL Aviation Outlook 2050, <https://www.eurocontrol.int/publication/eurocontrol-aviation-outlook-2050>

delays. These forecasts are based on conservative assumptions, notably the full and timely delivery of all current airport expansion plans.

The EIB is a pivotal anchor investor in the airport sector, essential to unlocking private capital for airport projects. By providing first-tranche debt financing, the EIB reduces perceived project risks and helps mobilise additional private capital, ensuring that airport capacity keeps pace with demand.

Moreover, **aviation capacity growth can co-exist with the EU's climate ambitions.** The European Commission's June 2024 impact assessment for the 2040 climate target confirms that **aviation activity can increase by 40% to 50% while remaining compatible with the EU's climate goals.** This compatibility relies on technological innovation, operational efficiency improvements, and the deployment of Sustainable Aviation Fuels (SAF), all supported by the EU's Fit for 55 package and broader decarbonisation strategies.

This **evidence dispels the misconception that limiting airport capacity growth is necessary to achieve climate objectives.** Instead, it underscores the need to **promote sustainable infrastructure investments that accommodate rising demand while enhancing environmental performance.** Through a holistic approach that balances growth with effective emissions reduction measures, the EU can ensure aviation continues to contribute responsibly to connectivity, economic development, and climate neutrality by 2040.

Given these realities, the **current EIB policy—which excludes lending for airport capacity expansion—is at odds with both EU policy objectives and market demands.** We therefore urge the EIB to realign its lending approach to support sustainable airport capacity expansion, enabling Europe's airports to meet future demand while advancing climate and economic goals.

ACI EUROPE calls on the EIB to update its lending policy to enable the financing of airport capacity expansion projects that alleviate congestion and enhance operational efficiency, while fully aligning with the EU's climate objectives.

Streamlining based on EU regulation

ACI EUROPE underscores the critical importance of cohesive and predictable regulatory frameworks within the European Union, particularly as the aviation sector strives to meet ambitious decarbonisation and sustainability targets. While fully supporting the EU's robust environmental objectives, it is essential that EU regulations and the EIB's financing criteria do not impose requirements that exceed established green standards and regulations.

Regulatory consistency is fundamental to enabling airports to plan and implement long-term investments in infrastructure, sustainability initiatives, and innovation. When EU-specific measures go beyond EU-agreed green rules—such as those enshrined in the EU Green Taxonomy and the Fit for 55 package—they risk generating operational uncertainty and administrative complexity. This, in turn, hampers airports' ability to comply efficiently and cost-effectively.

Overregulation, meaning policy measures that extend beyond proportionate climate or environmental requirements, poses significant risks. It can erode airports' international competitiveness by escalating compliance costs and further distorting the level playing field with global peers. Furthermore, overregulation

disproportionately impacts smaller and regional airports, which are essential for social and territorial cohesion throughout Europe. This threatens regional development and jeopardises the inclusive role airports play within the European transport ecosystem.

Without clear streamlining and mutual recognition of standards, the additional burden may lead to delay or cancellation of critical investments—contrary to the objectives of the EU's Green Deal and the need for Europe's competitiveness and resilience.

ACI EUROPE urges the EIB to prevent regulatory overreach by avoiding financing criteria that exceed established EU climate policies. This approach is crucial for safeguarding airports' competitiveness and preserving their investment capacity for both transition and growth projects.

Conclusion

ACI EUROPE calls on the European Investment Bank to urgently update its Climate Bank Roadmap to **explicitly permit lending for airport capacity expansion projects**, alongside continued support for green infrastructure and emissions reduction initiatives. This adjustment is essential to align the EIB's lending policy with EU climate, transport, and cohesion objectives and to reflect market realities.

We ask the EIB to adopt clear, consistent lending criteria grounded in EU climate frameworks and supported by established decarbonisation roadmaps. This approach will allow the EIB to finance projects that balance growth with sustainability effectively.

Furthermore, we urge the EIB to recognise the broader socio-economic, regional cohesion, and security benefits of airports in its financing decisions. Ensuring balanced capacity at both ends of air journeys is fundamental to preserving Europe's connectivity, especially for remote and peripheral regions.

By supporting sustainable capacity expansion, the EIB will **help safeguard the competitiveness of Europe's airport network, unlock private investment, and enable the sector to deliver on its critical role in economic development and the green transition.**

ACI EUROPE appreciates the EIB's commitment to sustainable finance and looks forward to collaborating to ensure that Europe's airport network remains a cornerstone for connectivity, economic development, and green transition.

ACI EUROPE is the European region of Airports Council International (ACI), the only worldwide professional association of airport operators. ACI EUROPE represents over 600 airports in 55 countries. Our members facilitate over 90% of commercial air traffic in Europe. Airports and air connectivity support 14 million jobs, generating €851 billion in European economic activity (5% of GDP).