

Response to RAP Consultation 2019

1. Stakeholder Category

I am making this response as an Irish taxpayer.

2. Effectiveness of Current RAP

In overall terms, it is hard to see if this an effective policy. Waterford airport has had no commercial scheduled flights since 2016 and Donegal has less than 10,000 non PSO passengers in any year and has a very small throughput in a very remote out of the way airport. On the plus side, IWAK has some justification based on the numbers but its proximity to Shannon means its rationale gets weaker year on year. Again, Kerry has limited justification but its proximity to both Cork and Shannon airports renders it an expensive option.

3. Changes to be reflected post 2019

Kerry, Donegal & Waterford airports do not justify the money that is planned to be spent on them.

	Regional Airports			Costings	
	Capex, Opex, PPR-C and PPR-O for all airports				
	Donegal	IWAK	Kerry	Waterford	Total
2015-2018	€	€	€	€	
	2996879	11471850	5695285	3703751	23867765
PSO costs	14798851		15190172		
Total costs	<u>17795730</u>	<u>11471850</u>	<u>20885457</u>	<u>3703751</u>	
Total PSO Pax	<u>201992</u>		<u>126041</u>		
Cost per PSO Pax	88.10		165.70		

There is zero payback at Waterford for the €3.7m that has been spent in the above period. Its proximity to Cork airport; the road links on the M8/M9 and the rail link to Dublin cancel out any further monies being spent at this airport. The PSO costs for Kerry and Donegal are almost €30m which is a level of extravagance the country can ill afford. The data in the DTTAS analysis report appears to indicate that

most of the PSO costs benefit those living in the specific regions and have little or benefit to business or tourism. The key changer that renders these airports redundant is their proximity to other airports in the case of Kerry, IWAK and Waterford. With improved road links and some improvement in rail links, their reasons for attracting government subventions have no case. Donegal has two major handicaps – it has very little traffic and it is situated in a very remote area of the county. Currently it has a very poor road infrastructure with no motorways and no rail links – until one or both of these deficits are removed, it is probably just about justifiable but more needs to be done to attract business and tourist traffic. Due to Brexit, it is not feasible to consider assisting Derry airport to expand its facilities for Donegal’s benefit.

4. Low Carbon economy

A reduction in flights would bring about some diminution in the carbon footprint. This would be offset by additional vehicular traffic so it is hard to see if there would be a substantial net gain. In the absence of electric rail outside the DART service, there are not many tangible alternatives to the current flight system.

5. Views on the PSO scheme

While there have been increases in the numbers of passengers using both PSO routes, they are unlikely to increase in such numbers as to make them independent of PSO funding. So, it is a case that if these routes are to continue, then there will always be a PSO dependency for the foreseeable future. The issue is whether this is justified is the point. Due to the poor network of roads and rail, there was justification for PSO routes. Where other transport links are improved, PSO routes should be cut back leading to their ultimate abolition. This not the case in either Kerry or Donegal. However, the rail link at Farranfore for Kerry could be improved by building a covered moving walkway from the station to the airport covering the 1.4 km distance and improving the rail frequency.

6. Other

There should be a clear exit strategy to wean airports off PSO subventions to that they rely on their own resources to bring additional traffic to the airports. To avoid calamities, these should have a finite life of not more than 10 years coupled with improved transport links by road and rail.

