

Overflight Fees Bring EU Lawsuits

By The Moscow Times

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The European Union plans to threaten lawsuits against seven more EU nations, including the United Kingdom, Sweden and Italy, for paying Russian fees for the right to fly over Siberia, expanding legal action begun three months ago.

The European Commission said the aviation agreements that those three countries, along with The Netherlands, Belgium, Denmark and Luxembourg, have with Russia might violate EU rules by including provisions on Siberian overflight charges. European airlines pay the fees to Aeroflot.

"This is in breach of EU antitrust law whereby airlines should not be forced into concluding a commercial agreement with a direct competitor," the commission said in a statement due to be released Thursday in Brussels. The commission issued similar warnings against Germany, France, Austria and Finland in October.

Russia is the only country in the world to charge for overflight rights. The policy is a relic of the Cold War, when Russian airspace was out of bounds and Russia excluded Siberia in return

for a fee.

The EU says Russia has failed to follow through on a 2006 accord to end the charges, which U.S. carriers are spared because they don't fly the trans-Siberian route. The levies cost European carriers about \$420 million in 2008, according to the commission.

Today's legal threat will involve an initial warning from the commission to the British, Swedish, Italian, Dutch, Belgian, Danish and Luxembourg governments through a "letter of formal notice," which sets a two-month deadline for a reply. This process can lead to a lawsuit at the European court after a second commission warning letter.

In addition to targeting the provisions on Siberian overflight charges, the commission says the aviation agreements with Russia violate EU law by failing to apply the general terms equally to all carriers based in the bloc. This is required under Europe's "open skies" rules.

Among other things, the open skies rules ensure that a takeover involving two carriers based in different EU nations doesn't lead to the loss of traffic-route rights. Russia has threatened to deny Austrian Airlines flight rights following its takeover by Lufthansa, according to the commission.

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