

Dear Huw,

May I firstly thank you again for the opportunity to provide oral evidence to the Committee's inquiry into the impact of the Covid-19 pandemic on the aviation industry. It has been an enormously challenging time for the sector, but I was pleased to provide you with an update on the work the Civil Aviation Authority (CAA) has been doing to improve airline performance in providing consumers with timely cash refunds following cancelled flights.

I read with interest the letter from Michael O'Leary recently published on the Committee's website, which followed his own appearance in front of your Committee. In it, he made a number of assertions about the CAA and our oversight of Ryanair, which I feel require a response. I've taken these in turn below and would be happy to follow up with further detail if required.

The CAA's wet-leasing policy

In his letter and briefing note, Mr O'Leary contends that the CAA has recently shifted (and failed to explain) its wet-leasing policy, which he says will result in the loss of routes to a number of regional airports. I want to reassure the Committee that the CAA has not changed its policy in relation to wet-leasing or our position in relation to Ryanair's request, and that any decision to cancel routes has been taken by Ryanair alone.

It has been our long-standing view that a UK airline (in this case Ryanair UK, a subsidiary of Ryanair Group) with a significant presence in the UK should not rely heavily on using wet-leased, foreign-registered aircraft to undertake their operations. Doing so risks undermining the competitiveness of the UK aviation industry and the effectiveness of our regulatory oversight regime. This is a view widely shared by regulators around the world. For clarity, Ryanair Holdings Group has the equivalent of some 70-90 aircraft based in the UK, but Ryanair UK had only one aircraft on the UK register until this month when a second was added, but with no indication of more. The number of aircraft added to the UK register falls significantly short of the more representative numbers proposed some 2-3 years ago, while the Group seeks to utilise Ryanair UK, and the use of foreign wet leased aircraft, which

come ready to operate with crew, to benefit from UK air traffic rights that would otherwise be unavailable to it.

We have engaged with Ryanair many times on these issues to seek a solution, and our position is well known to Mr O'Leary. We will continue to engage constructively as we seek to act in the best interest of consumers.

Pre-departure tests

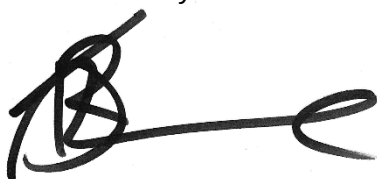
Mr O'Leary also references the CAA's enforcement action against airlines who have failed to comply with regulations relating to pre-departure tests. In his oral evidence to the Committee, Mr O'Leary referred to "criminal proceedings" having been brought by the CAA against Ryanair. To clarify, the CAA has opened an investigation into Ryanair following receipt of intelligence from UK Border Force. To date, we have not commenced criminal proceedings.

While it would not be appropriate for me to comment on an ongoing investigation, there are a couple of broader points I would like to make in response to his letter. Firstly, the details of the regulations – including those relating to the language of a test's certificate - are decided by the Government, not the CAA, although of course we work with Government, particularly if our enforcement work identifies potential opportunities to improve the regulations.

Secondly, in overseeing airline compliance with this measure, we have been clear that our intention is to use our enforcement powers in the most efficient, effective and proportionate way possible. In doing so, we consider the airline's overall performance in terms of compliance and the particular individual circumstances of any breach, and we look to airlines to demonstrate that they are doing everything reasonably possible to comply.

I do hope this provides the Committee with some balance to the comments made in Mr O'Leary's letter. As ever, my colleagues and I stand ready to provide any further information which may be of interest to the Committee.

Yours Sincerely

A handwritten signature in black ink, appearing to be 'RM', followed by a long horizontal stroke.

Richard Moriarty
CHIEF EXECUTIVE

Civil Aviation Authority

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