

Draft– Minutes BGA – 14 April 2022 BARIN General Assembly
Confidential

PLACE OF MEETING Via MS Teams	DATE OF MEETING 14 April 2022	TIME 15.00 – 16.30 hrs.
MEETING NO. 01/2022	DATE OF ISSUE 19 April 2022	PAGES (incl. this page) 5

ITEM	DESCRIPTION OF ITEM	By
1	Confirmation/Changes Agenda	MF
1.a	<p>The Chairman opens the meeting at 15:05 welcoming all and points out our rules of engagement as per below:</p> <p><i>BARIN meetings are being conducted in compliance with the BARIN Code of Conduct. Pursuant thereto, meetings will not discuss or take action to develop rates or charges, nor will these discuss or take action on remuneration level of any intermediaries engaged in the sales of Air Transportation. These meetings also have no authority to discuss or reach agreement on the allocation of markets, the division or sharing of traffic or revenues or the number of flights or capacity to be offered in any market. BARIN-members or observers are aware of their obligation to comply with this BARIN Code of Conduct, and hereby once again reminded that any discussion regarding such matters, or concerning any other competitively sensitive topics outside the scope of the agenda, either on the floor or off, is strictly prohibited.</i></p> <p>He especially welcomes our new members SAS, SAUDIA and FedEx. Welcome to Devaka Fernando of SAUDIA and Philippe Morin of FedEx who are present in the meeting. (Victoria den Haring of FedEx joins later). Next BGA we will be organizing a live meeting again so we can meet face-to-face. Slowly but surely, we are leaving COVID behind us. Most of the attention now is on the Ukraine war which is very worrying especially for the people in the affected regions. We will be planning a webinar together with SPL on impact staff shortages for the upcoming Summer. Schiphol and the national politics in The Hague kept us busy since the last BGA with 2 main challenges: 1. The image of our industry; many people in The Hague are not the biggest fan of the aviation industry. 2. The other challenge are the adding up of charges; higher ticket tax, cost increase of Schiphol, Fit-for-55, Noise Insulation etc. Our actions are diverse an intense, we take a seat in various steering and working groups, we voice our concerns via the media (for social media we only use LinkedIn) and exceptionally we take legal steps. It is important that our industry is heard with one voice and one vision in The Hague and in the media. We are most grateful for new members joining, but still there are a number of airlines who still need to join BARIN as we need to stand shoulder to shoulder in order to defend the interests of our industry.</p>	
1.b	The Chairman asks if there are any additions to the agenda but there are not.	
2	Approval of the draft Minutes BGA 19th 23rd September 2021	MF
2.a	There are no comments or questions on the minutes of September 23 rd , 2021, hence the minutes were adopted.	
3	Finance	JPD/MF
	<p>One remark by the Chairman: This is the first year that we Introduced a Financial Committee / FC (Kascommissie) instead of working with an external account who comes with significant costs. The work of the FC increases the involvement of our members. Jan Feenstra of Delta Airlines and Pekka Smit of Royal Jordanian formed the FC for the first time this year and as it was the first time, it also takes more time than expected. So later in this meeting we will be seeking your approval subject to a declaration from the FC to be issued within a few weeks. Furthermore, the Chairman -before giving the Treasurer Jean Paul Drabbe the floor- mentions that this is Jean Paul's last BGA as Treasurer as he will pursue his career elsewhere and we are wishing him a lot of success.</p>	

<p>3.a</p>	<p>Jean Paul has made big improvements in our accounting system and we are very grateful for his dedication and professionalism.</p> <p>The Treasurer Jean Paul Drabbe (JPD) shares his screen with the income and expenses of the year 2021. This is the first 'normal' year after all changes which have reduced our expenses substantially, with the expectations on reduced income over the last few years due to COVID.</p> <p>Looking at the result of 2021 looking at the black (instead of grey) figures we see that the income from our Annual Fees came to €127.100 with 1 debtor still to come in, which we have under control and we do not expect any issues here.</p> <p>Due to fact that we still had some earlier outstanding debtors we are €4 K over budget also due to late payment of some Preferred Partners.</p> <p>As we had hardly any events due to COVID we had limited costs and therefore income and costs are highly correlated.</p> <p>Final income was some €136 K, which was a little below budget but this causes no problem for our balance. If there are any questions on the income side, please raise them now, before we move on to cost side. There are no questions from the meeting.</p> <p>On the cost side we see that the BARIN organization itself, i.e. the professional services of the Chairman, The Secretary General and the Secretariat form the majority of the costs. But as all these expenses are capped fees for all remunerated people, by definition it will always be within budget.</p> <p>Travel expense are minimal and within budget as hardly any travel took place.</p> <p>A small amount is paid on Insurances.</p>
<p>3.b</p>	<p>On the office costs we made some good savings due to the fact that we no longer use an accountant for the annual accounts but have our books checked by the Financial Committee formed by the members.</p> <p>All-in-all we made savings of some €8,5 K.</p> <p>We had 2 bad debtors; AZ and KQ, with Alitalia going bankrupt and Kenya Airways closing their office in NL. These amounts have been written off.</p> <p>And an earlier amount of SAS (of 2018) which was never credited was also written off.</p> <p>We see a slight positive result of €1,8 K.</p> <p>The easier process with the Financial Committee makes us meaner and leaner; we have a very strong focus on cost control. The Treasurer asks if there are any questions on the cost-side, but there are none.</p>
<p>3.c</p>	<p>The Treasurer hands over the Pekka Smit of Royal Jordanian who together with Jan Feenstra of Delta Airlines forms this year's Financial Committee.</p> <p>Pekka reports that the financial administration in itself is correct. However, since this task is new to him and Jan for the first time checking the books, they needed more time in order to check some details like e.g. VAT; how this is reported is not completely clear to them.</p>
<p>3.d</p>	<p>The FC will come back to the BARIN Executive Board and present their final report within the next 3 weeks.</p> <p>Next the Treasurer presents the budget for 2022; The budget is very straight forward and in line with 2021. The Chairman adds that in fact the budget for 2022 is very conservative.</p> <p>The Treasurer mentions the ambition which was laid down by the BARIN Executive Board to increase Preferred Partnerships. By setting higher budget this worked out very well thanks to the efforts of Marnix, Joost and Léon.</p> <p>The average income is based on a normal year, correlated to cost side of our budget; when income drops, cost will have to go down equally.</p> <p>We have budgeted an income at €151 K.</p> <p>Services are capped, travel expenses are a bit increased, amounts for insurances are more or less the same. Office expenses are reduced enormously to a very low amount.</p> <p>Looking at member retention and event costs we are stable. And if we succeed to keep cost within limits, we can have positive result of €14 K, which we can then add to the reserves.</p> <p>The Treasurer concludes that the budget looks realistic which hopefully can meet the support from all members to this budget proposal.</p> <p>The Chairman adds some remarks on events and website: As we have become more active, our website attracts more visitors so we need to upgrade our website and we are currently investigating with a new partner the look & feel of our website.</p>

3.e	<p>It is also our role to bring Preferred Partners and members together; therefor there will be and increased cost for events.</p> <p>The Chairman requests approval for accounts 2021 and budget 2022 and as such a discharge of the BARIN Executive Board subject to the declaration of the FC within 3 weeks from the meeting.</p> <p>There are no objections and all approved.</p> <p>Next the Chairman asks for approval for nomination of Helen Malotaux of American Airlines as successor of Jean Paul as Treasurer and this is unanimously approved by the meeting.</p>	
4	<p>BARIN Governance</p>	PdR/BG
4.a	<p>The Chairman notes that the BARIN Executive Board not only safeguards the processes within BARIN but also is responsible for a good “Governance”. He requests BEB-member Petra de Ruyter of Transavia to elucidate on this. Petra explains the background of the wish of the Executive Board to cap the length and number of terms for the Chair and Secretary General positions. By end of last year, the Chairman and SG pointed out that they could endlessly stay on as BEB-members as no terms for this were laid down in the by-laws of the BARIN. This should not be the case looking at it from good leadership principles.</p> <p>The BEB made a study of some other Articles of Associations and in a lot of cases Board Members are appointed for 4 years with a maximum of 2 terms. To make sure to have continuity in the BEB, the Executive Board has come to a proposal to cap the Executive Board Membership at 2 terms of four years. So, we are asking the BARIN General Assembly approval for maximum 2 terms of 4 years (total 8 years) and to introduce this principle retroactive as per 01 April 2022 when Marnix started. This means that the first term ends on 31 March 2024 with the possibility to extend with one more term.</p> <p>Termination from either side can be done with minimum of 3 months-notice.</p> <p>As we have talked to both the Chair and the SG, we know that the Intention of Joost is to stay for another term, whereas for Marnix (although he is enjoying the BARIN Chairmanship a lot) 8 years might be a bit too much.</p>	
4.b	<p>Petra asks meeting to approve both principles being 1. two terms of four years and retro-activeness per 01 April 2020.</p> <p>There are no questions or objections from the meeting so the proposal is accepted.</p> <p>The Chariman adds that this constituency is more professional and he thanks the meeting for their vote of confidence. We do enjoy our roles, which sometimes frustrating as we want to see direct result, but continue to defend your interests with relentless efforts.</p> <p>The SG adds that our next step is changing the BARIN Articles of Association through a notary public to reflect these adaptations.</p>	
5	<p>Membership Update</p>	JH
5.a	<p>The SG repeats what the Chairman already mentioned in his opening remarks which is the fact that we are very happy to be able to welcome 3 new airline members as per this calendar year. These airlines are FedEx, SAS and SAUDIA. We will make sure that we service these new members as we have serviced all of our members over the years, and the representatives of the 3 airlines are very much looking forward to meeting their fellow BARIN members in the near future.</p> <p>Unfortunately we also had to say goodbye to a number of airlines last year, being Alitalia, Kenya Airways, Finnair and United Airlines.</p> <p>We keep reiterating that it is a matter of joint responsibility and interest to be a member of a local BAR and to make sure to have a powerful representation of your interests both at counterparts such as Schiphol or the political arena in The Hague as well as with regional politicians. It is a principle of solidarity. And we are requesting the help of the membership to identify non airline partners who still need to join our ranks. Please reach out to us if you have any leads.</p>	
5.b	<p>The SG also reports to be very happy with the newly enrolled Preferred Partners (PP’s). They not only pay a significant amount per annum to be our partner and thus help keep the membership fees for the airlines under control (we have not increased membership fees since 2012!), they also offer individual benefits.</p> <p>Newly enrolled PP’s are dnata, Embraer, Hilton Amsterdam Airport Hotel, Klüh Service Management, UCC Facility Services and VRR (Containers and ULD’s). And next one to join us in the middle of this year will be Luchtvaartnieuws.nl.</p>	

	<p>We have also lost 2 Preferred Partners in 2021, being Direct Maintenance and Regus. We want to limit the number of PP's to 15 in order to continue to service them well and we are currently at 13 companies. The Chairman thanks the SG for this nice overview of PP's and additional income as he sees this as a compliment to BARIN.</p>	
6	Schiphol	MF
6.a	<p>The Chairman gives an update on the status of the charge increases and the appeal at the ACM (Authority Consumers and Markets). We generated a lot of media attention on this as you may have noticed and I will give you a brief update on the process and then next steps to be taken. We had 3 pre-consultation meetings (which were very intense 2-3hour meetings); in-depth where a lot of data was discussed. Then we had the official consultation meeting which is the formalization; at the last pre-consultation, SPL's intention to increase charges up to 41% was already known. As Schiphol only wanted to decrease to 37%, we decided to file a complaint at the ACM; together with other parties concerned, like easyJet, Ryanair, ACN, IATA, Qatar, KLM, etc. Although the process is followed carefully, we consulted various parties and decided jointly to go to the ACM. Complaints were filed by various airlines and associations like ACN/BARIN/IATA; looking at the principle of fairness ("redelijkheid"), looking around at other European airports we find the increase of charges excessive. Represented by well-respected law firms we had a full day session at ACM with statements, observations and questions from all parties. Upfront we were not very hopeful as ACM is analysing very strict looking at the Aviation Act. However, we state that the Aviation Act was never written for a pandemic of 2 years like we have seen now. This is unprecedented. Verdict from ACM was therefore very disappointing for us and even Schiphol was a little bit surprised about the outcome. Now we are in discussion on the next steps to be taken: There are 4 higher courts of which one is Court is for businesses (<i>College van Beroep voor het Bedrijfsleven</i>). We will most likely appeal, although the outcome is not sure. At the same time, we will continue to share our concerns and objections on expense overdrafts of Schiphol, like the A-Pier. We have frequent contact with the Schiphol Baard; despite the intense fights and disagreements we still have a constructive talking relationship; The Chairman also recently met with the CFO and continues reiterating to keep costs under control as the A-pier is not the only example. Legal steps to be taken are considered in the near future. Summarizing: the pre-consultations and cost increase of 37% plus frustrating outcome of the ACM-hearing will most likely result in an appeal at the College van Beroep voor het Bedrijfsleven. When time comes, we will find the media again (FD, Parool, NRC, De Telegraaf etc.) On the reasonable fairness principle, the Chairman repeats: "I will never accept that airlines have to pay for unacceptable budget overdrafts, even if stipulated by law". We have twice-monthly meetings with Directors of Schiphol, KLM and LVNL; we fight hard where necessary.</p>	
7	Ministry of Infrastructure & Watermanagement	MF/JH
7.a	<p>National CO₂-Ceiling. The Chairman reports that the Dutch Government has initiated a proposal to introduce a national CO₂-level for aviation. The Chairman asks the SG to elucidate: BARIN is very much against the levy since 1. Environmental measures should be dealt with on a European or international level and not introduced nationally. 2. It comes on top of an already existing ETS (Emission Trading Scheme) which deals with CO₂- rights on a European level. And it comes on top of the IATA program CORSIA (Carbon Offsetting Scheme International Aviation). 3. CO₂-emission do not stop at country-borders. So, people traveling by car from the Netherlands to Brussels or Düsseldorf and take the airplane from there emit the same amount or more CO₂ then when departing from a Dutch Airport. It is like with the infamous ticket-tax which is introduced on a national level; it does not help the environment!</p>	

<p>7.b</p> <p>7.c</p>	<p>Philippe Morin/FedEx adds that he is not sure if EU MP's will accept a national law like this. He also asks if BARIN is somehow requesting to earmark funds raised by the ETS for aviation sustainability goals. The SG replies that this has not been done yet but this is certainly a good point and it is agreed to set up a call to take this discussion further.</p> <p>GIS Noise insulation Schiphol (<i>Geluidsisolatie Schiphol</i>). The SG explains that in the period 2006-2013 already a tax was levied on every ticket sold with departure from Amsterdam, by which a total amount of €750 million was raised in order to insulate houses from the inhabitants surrounding the airport. The Minister of Infrastructure and Watermanagement in 2013 in a letter to the House of Representatives stated that with the NNHS (New Norm and Enforcement System) safeguarded by the ILT (Inspection for the Living Environment or CAA) no more houses needed to be insulated even if the Noise-contour would change slightly. We oppose to another such tax to be levied on the tickets which is meant to raise another €150 million and have formally written a letter to the Ministry to make our concerns known.</p> <p>EU261/2004 The SG just recaps the current status in case an intermediary goes bankrupt after the airline has refunded an unused ticket but prior to the payment made to the customer. The ILT still enforces airlines to compensate the passenger directly (thus paying twice). Although the ILT understands our issues with this principle, they say that they have to adhere to rules set by EU261. The Court of Auditors in BRU has indicated that the interpretation of EU261 is not clear on this point and it is exactly that argument which we have used to write a joint letter with IATA to the Minister to plea in Brussels for a revision of EU261. We are still awaiting a response, and a change in regulations (if it happens at all) will take at least 2 years. We will keep the membership posted on the developments. Last words from the Chairman: It is crystal clear that we support the Fit-for-55 package, we support more sustainable aviation, we support being climate neutral the sooner the better; it is our license to operate. At the same time, we also fight for a healthy economic climate in competitive markets. However, we see 'isolation in The Hague'; People seem not to understand what the impact their plans have on our industry. We want to ensure a continued competitive market environment for the airlines.</p>	
<p>8</p>	<p>Events</p>	<p>JH</p>
<p>8.a</p> <p>8.b</p>	<p>Meetings: The Chairman explains the structure for our meetings and events. As a result of the answer on the questionnaire amongst our members, we suggested to have 1 of our two annually held BGA's online, and the other one being a physical meeting. But we also organized some successful webinars in the meantime, where we had guests such as Willie Walsh of IATA, Dick Benschop of Schiphol etc. We continue to organize webinars and the last one with IATA on the Ukraine was very successful and well-attended despite the very short notice. Due to COVID all our meetings were digital, however, our next BGA is planned to be held at the offices of our Preferred Partner De Clercq Lawyers in Leiden in the afternoon of September 22nd. Furthermore, we continue to organize webinars in joint coop with other partners and we are planning the next one in May on Staffing issues at the airport (for the upcoming Summer season).</p> <p>Events: With COVID subsiding slowly, we also have planned a number of networking events, where you can meet fellow BARIN members, Preferred Partners and other Stakeholders. The list was shared in the agenda: 14 June DDA-day; we are planning an afternoon event with even the opportunity (against a fee) to make a flight in the historic DC-3. Details will be shared soonest. 08 September we planned our Summer BBQ, however the date will change as this date clashes with the IBC in Amsterdam and the hotel is full. More details will be shared soon. Furthermore, we are planning a Business visit at our Preferred Partner NS International to either visit the operations control centre in Utrecht or the Royal Waiting Lounge at Amsterdam Central Station. This will be held in September. We are in the initial stages of planning an Aviation Congress on Sustainability in November but as we learn there are many congresses in November already, so we also may postpone this to January 2023. 13 December we will be our traditional BARIN Christmas Dinner, which will most likely be held at the Hilton</p>	

	Amsterdam Airport Hotel. If you have any ideas or suggestions for webinars or events, please feel free to share these by email or phone We gladly discuss all options.	
	AOB	All
	1. No subjects are raised.	
10.	Closing	
	The Chairman closes the meeting at 16.25 hrs and he thanks all participants for their presence. This was perhaps not the best time to plan a meeting just prior to the Easter weekend, so next year will take this into consideration. You can count on BARIN to continue to defend your interest to make you operations as successful as possible.	