

Date 7 October 2003

Dear Consultee

**COUNCIL REGULATION ON EXTENDING THE SCOPE OF THE
COMMUNITY'S COMPETITION IMPLEMENTING RULES TO
COVER AIR SERVICES BETWEEN COMMUNITY AIRPORTS AND
THOSE OF THIRD COUNTRIES**

I attach a consultation document on a draft Council Regulation that proposes extending the scope of the Community's competition implementing rules to cover air services between Community airports and those of third countries. This document can also be accessed via the DTI website at www.dti.gov.uk/ccp/consultations.htm. The current deadline for responses is 30 December 2003.

The Regulation would end the current arrangements for the enforcement of Articles 81 and 82 of the EC Treaty in relation to extra-Community air transport services with effect from 1 May 2004. It would do this by extending the Community implementing rules on competition to bring extra-Community air services onto the same footing as intra-Community ones. It

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would also give the Commission powers to grant block exemptions in relation to certain categories of agreements and practices relating to air transport between Community and third country airports.

Timing for handling this dossier in Brussels is as yet unclear. We expect discussions on it to start later this year and it may be that discussions will be opened at short notice with the aim of arriving at a consensus quickly.

With this in mind it would be very useful to receive early indications from consultees if they foresee any difficulties or problems with what is being proposed. I would also be happy to meet on a one-to-one basis to discuss. I can be contacted at jane.grady@dti.gsi.gov.uk, or tel: + 44 (0)20 7215 6778.

I will write again if there are developments on timing.

Yours,

Jane Grady
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