

EU court sides with Ryanair over Air France- KLM aid

December 20 2023



A top EU court annulled on Wednesday the approval of a pandemic state aid program for Air France-KLM that had been challenged by Irish rival Ryanair and Malta Air.



The General Court ruled that the European Commission "erred" in approving the French government's financial aid for Air France-KLM.

The group received billions of euros (dollars) from the state after the pandemic grounded the aviation sector in 2020—money that has since been reimbursed, with interest.

The <u>court</u> noted that Ryanair and Malta Air had argued that the measures were "contrary to EU law".

The two <u>airlines</u> said the commission had "incorrectly defined the beneficiaries" by deciding that neither the group's holding company nor Dutch airline KLM were recipients of that aid.

Ryanair on Wednesday called the ruling "a triumph for fair competition and consumers across the EU."

The General Court previously sided with Ryanair in May in a case against massive government bailouts for German airline Lufthansa and Scandinavia's SAS during the pandemic.

"Today's judgments underline the need for the European Commission to immediately act to recover these illegal State aid packages and order remedies to restore at least some of the damage done to competition," it added.

Air France-KLM said it took note of the ruling.

"Air France-KLM and Air France will carefully study these judgments and assess their implications," the group said in a statement.

"They will consider whether to lodge an appeal on points of law before the Court of Justice of the European Union," the statement said.



© 2023 AFP

Citation: EU court sides with Ryanair over Air France-KLM aid (2023, December 20) retrieved 11 May 2024 from https://techxplore.com/news/2023-12-eu-court-sides-ryanair-air.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.