COMMISSION

COMMISSION DECISION

of 30 October 1998

on the application of Article 9 of Council Directive 96/67/EC to Stuttgart airport (Flughafen Stuttgart GmbH)

(notified under document number C(1998) 3335)

(Only the German text is authentic)

(Text with EEA relevance)

(98/630/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Directive 96/67/EC of 15 October 1996 on access to the groundhandling market at Community airports [1], and in particular Article 9(5) thereof,

Having regard to the request for approval of the decision of the German authorities of 30 July 1998 and after consultation of those authorities,

After consulting the Advisory Committee,

Whereas:

I. SCOPE OF THE EXEMPTION NOTIFIED BY THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY

1. The notification presented by the German authorities

By letter of 30 July 1998, received by the Commission on 3 August 1998, the German authorities notified a request to approve the decision of the Government of the Federal Republic of Germany of 23 July 1998 to grant to Stuttgart airport (Flughafen Stuttgart GmbH) an exemption to:

— ban self-handling for the categories of services listed under point 4, with regard to the physical handling of freight and mail, whether incoming, outgoing or being transferred, between the air terminal and the aircraft, and points 5.4 (excluding the transport of crew), 5.5 and 5.6 of the Annex to the Directive. This exemption is granted, on the basis of Article 9(1)(d) of the Directive, until 31 December 2000.

Pursuant to Article 9(3) of the Directive, the Commission published an extract from the said notification in the *Official Journal of the European Communities* [2] and invited interested parties to submit comments.

In accordance with Article 9(5) of the Directive, the German Government was consulted by the Commission on the Commission's draft evaluation on 24 September 1998. The German authorities responded to this consultation with written comments forwarded by a letter dated 1 October 1998.

Basis of the exemption

The general rules for access to the groundhandling services market are set out in Articles 6 and 7 of the Directive. These rules clearly state the principle that most categories of groundhandling services should be opened up to the maximum possible extent. For an airport with a volume of traffic like that of Stuttgart the Directive provides for recognition of the right to self-handle as from 1 January 1998 and opens up the handling market to third parties as from 1 January 1999. However, because of the specific situation and role of an airport, and in

[1] OJ L 272, 25. 10. 1996, p. 36.

[2] OJ C 267, 26. 8. 1998, p. 11.

particular constraints of safety and security, but also space and capacity, which can arise in certain parts of most airports, the Directive does not impose total freedom but requires a minimum degree of opening up of both self-handling and services to third parties for four categories of services located air-side, i.e. in a particularly sensitive area of the airport. These categories concern ramp handling, baggage handling, fuel handling and certain freight and mail handling operations.

Article 9 of Directive 96/67/EC also takes account of the fact that, in certain very special cases, severe space and capacity problems prevent the opening-up of the market to the degree provided for. In such cases, exemptions may be granted on a temporary basis to give the airports the time to overcome the constraints. These exemptions can therefore be only exceptional in nature and are not intended to automatically give airports an extra transitional period in addition to that already provided for in Article 1 of the Directive.

An exemption can be granted only on the basis of specific space or capacity constraints. This is the basis on which the German authorities have granted the above-mentioned exemption in accordance with Article 3 of the German *'Verordnung über Bodenabfertigungsdienste auf Flugplätzen und zur Änderung weiterer luftrechtlicher Vorschriften'*([3]) transposing Directive 96/67/EC into national law.

2. **Situation regarding handling at Stuttgart airport**

2.1. *Presentation of the airport*

Half of the company running Stuttgart airport (Flughafen Stuttgart GmbH) is owned by the Land of Baden-Württemberg, the other shareholder being the city of Stuttgart.

The airport is completely surrounded to the north by the motorway linking Karlsruhe to Munich, and by housing on the other sides. Part of the site to the south is reserved for American military installations.

The airport has a single runway (east-west). The 1996 renovation and extension now enable it to receive long-haul traffic. The development work has enabled it to become the region's main airport, where 29 scheduled and 2 charter airlines operate. In 1997 it handled traffic of 6,9 million passengers, up 7,7 % on the previous year. With estimated growth of 5 % for the coming years, the airport should double its traffic by 2010. Much work has been done to prepare for this growth, including the realisation of an additional car park, and the current construction of an Office Centre, and the on-going extension of Terminal 1. The building of the new Terminal 3 to replace the old terminal installations, Terminal 4, new cargo installations, general aviation areas and a rail link to the Hamburg-Stuttgart-Munich line are at the planning stage. The southern part will also be completely altered, with a DEM 20 million project to redesign and regroup part of the US army installations. The airport should then be able to make use of some space in that area. Lack of space forces the airport to plan the work very carefully, so as to ensure continuity of service by transferring passengers and freight to the various installations as the building work progresses.

The changes should help to cater for demand and double the number of gate parking positions for Terminal 1.

2.2. *Groundhandling services at the airport*

When the German authorities made the decision, the groundhandling market was, in practice, open as regards services to third parties and self-handling for all the activities mentioned in the Annex to the Directive, apart from those covered by points 3 (baggage handling), 4 (physical handling of mail and freight), and 5 (air-side operations).

At Stuttgart, operations concerning aircraft guidance (point 5.1) and parking assistance (point 5.2) may not be opened up to competition; these operations are carried out solely by means of the radio guidance system.

The decision of the German authorities concerns operations between the airport and the aircraft relating to the physical handling of mail and freight (point 4 of the Annex to the Directive), the loading and unloading of the aircraft and the transport of passengers and baggage (part of point 5.4), aricraft take-off (point 5.5) and the moving of the aircraft (point 5.6).

The aim of the exemption is therefore to preserve the status quo regarding self-handling. On the other hand, from 1 January 1999, a second supplier will be allowed to provide services to third parties where the airport managing body was the sole supplier for those services on the date of notification, so ensuring the minimum choice required by Article 6 of the Directive as regards groundhandling services to third parties.

([3]) *Bundesgesetzblatt 1997 Teil I Nr. 82, 16 Dezember 1997; 2885.*

II. CONSTRAINTS REFERRED TO BY THE GERMAN AUTHORITIES

The exemption is based on the airport's current space problems which will be aggravated by the substantial works to be carried out in the coming years and the particular difficulties to be expected with the arrival of new baggage handling operators. According to the German authorities, the available space should be sufficient for a second service provider but not also for additional self-handling users.

It is based mainly on the dossier prepared by the airport and presented by Gleiss, Lutz, Hootz & Hirsch as well as the study by Professor Heimerl *'Kapazität der Anlagen des Flughafen Stuttgart'* (Capacity of facilities at Stuttgart airport).

1. Problems with equipment parking

According to the German authorities, these problems are serious in two areas.

1.1. *Available space*

Firstly, only four of the 39 aircraft positions allow gate parking. A fifth should be added when the extension to Terminal 1 is complete. Of the many remaining positions, 18 require pusher tugs to be used to move the aircraft (point 5.6 of the Annex to the Directive). These are the positions located along the installations on the north side of the airport. These tugs are heavy, quite difficult to park, and must stay near the positions.

Similarly, the large number of distant positions require the use of many shuttle buses to carry passengers and sufficient trolleys to ensure that baggage is moved fast enough over long distances (point 5.4 of the Annex).

While equipment can be parked at the head of aircraft for positions located along the installations on the north side, the German authorities consider that this cannot be done for positions on the tarmac on the south side, since they are already very close to taxiway N, at the minimum safety distance. Moreover, at night, nearly all the positions would be used to park aircraft, thus preventing their temporary use as equipment parking areas.

1.2. *Safety*

The free parking procedure with radio guidance as practised in Stuttgart — i.e. with no guiding vehicle on the tarmac — would make it dangerous to park any equipment too close to the aircraft positions, thus ruling out many potential parking positions.

Traffic on the tarmac is considered to be very dense, especially since all aircraft have to access the runway via the same point (K) [4].

Taking account of the number of aircraft needed to handle peaks in freight and passenger demand, including charters (Stuttgart is an important centre for holiday flights to southern Europe), the airport currently occupies an estimated 11 000 m2 for groundhandling equipment. This calculation is based on the 'dynamic' area of the necessary equipment ('static' space occupied on the ground + 50 % for aircraft movements).

The German authorities nevertheless consider that account must be taken of the changes due to competition regarding the market shares of the current monopoly operator and the repercussions on its own equipment needs and hence the space required to park it.

Moreover, according to the German authorities, it is possible to release new space in the short term, namely:

— a triangular space of some 200 m2 in the eastern area near the new fire station, which could be used for parking light equipment,

— certain spaces in the southern area which are or will shortly be freed by the US army, along with the associated grassed areas. Some of this space is currently used to park vehicles and store building materials. The space occupied by these materials will gradually become available as work progresses,

— finally, additional space may be released in June 1999 when taxiway M is moved.

2. Baggage handling problems

According to the dossier prepared by the airport and presented by Gleiss, Lutz, Hootz and Hirch, partly rejected by the German authorities, baggage handling requires staff of eight drivers for Terminal 1, three for Terminal 2, and the following equipment: 165 trolleys, 21 tractors and 80 loaders. The study claims that the arrival of other operators would cause serious problems for the baggage sorting system. It is difficult to estimate how much equipment a new arrival would need, since it would depend on how many aircraft he had to handle. The study is based on a requirement, according to the type of aircraft, varying from one to 15, and an estimate of five to 10 therefore seems reasonable. The study makes no estimate, however, of the needs of new operator(s) according

[4] *Plan S 21 Flughafen Stuttgart GmbH 27/02/98.*

to their customers — considering that to be impossible — only of transport equipment needs. A distinction is made according to whether the new operator uses only his own facilities (variant 1), his own drivers and tractors but rents trolleys from the airport (variant 2) or his own drivers but with airport tractors and trolleys (variant 3).

According to the indications in the presented dossier it would not be possible to allow several operators to use the baggage sorting building. The new operator(s) would therefore have to park outside at all times or at least be ready to receive baggage delivered by airport personnel. There is very little space at the outlet of the system as any waiting trolleys would block bus traffic on the service road. This would also reduce the space currently used by the airport and prevent proper handling of special (non-standard) and last-minute baggage.

Despite the study, the German authorities consider that in spite of the resulting problems for managing trolley traffic near the terminal, it would not be impossible to allow a second operator for baggage handling.

Therefore, according to the German authorities, in view of the space freed and the loss of market share by the current monopoly operator, sufficient space for a new services provider could be made available at the airport by 1 January 1999 without affecting quality of service or the expansion potential of the airport installations. The German authorities have also expressed a preference for a new service provider, advantageous for all carriers at the airport, rather than a user who would serve his own aircraft only.

III. REACTIONS OF THE INTERESTED PARTIES

The various interested parties have been asked to express their opinions following the publication of the notification from the German authorities in accordance with Article 9(3) of the Directive.

The airline associations tend to refute the German authorities' arguments. These associations state that increasing the number of operators would not necessarily increase requirements for parking space or buildings, since this would depend mainly on the volume of traffic, and consider that better use of current space and a reduction in equipment used by the airport would allow parking space to be provided for the equipment. They add that space is still available in empty hangars and where winter equipment is currently stored. As regards baggage operations, the airlines acknowledge that there may be space problems in the baggage hall and say that they have accepted that trolley loading and unloading operations in the hall should be carried out by the airport. They do consider, however, that where there are no space problems for transport to or from aircraft, these operations should be opened up in accordance with the Directive.

IV. EVALUATION OF THE EXEMPTION IN THE LIGHT OF THE PROVISIONS OF DIRECTIVE 96/67/EC

1. The rules in force concerning groundhandling

1.1. *The scope for limiting access to the market*

Council Directive 96/67/EC provides for the market to be opened up to different extents as a function of the way groundhandling services that are provided (self-handling or service suppliers) and the level of traffic at the airport. With annual traffic of 6,4 million passengers in 1997, Stuttgart airport must, in accordance with Annex 5 to the *'Verordnung über Bodenabfertigungsdienste auf Flugplätzen und zur Änderung weiterer luftrechtlicher Vorschriften'*([5]) of 10 December 1997 transposing Directive 96/67/EC into national law, open up the market for groundhandling services for third parties to two users from 1 January 1998.

The general rules governing self-handling for the service categories listed in the German authorities' notification are set out in Article 7(2) of the Directive. Those rules have been incorporated into the provisions of paragraph 3(2) of the German regulations transposing the Directive. Under the terms of those various articles a Member State may restrict self-handling to two users. The latter must therefore be selected on the basis of relevant, objective, transparent and non-discriminatory criteria.

However, where specific space or capacity constraints, arising in particular from the rate of utilisation or of space occupation make it impossible to authorise self-handling to the extent provided for by the Directive, the Member State concerned may, on the basis of Article 9(1)(d), abolish that right or restrict it to a single user.

However, under Article 9(2) any such exemption must:

([5]) See footnote (3).

— specify the category or categories of ground handling services for which the exemption is granted and the specific constraints of available space or capacity which justify it,

— be accompanied by a plan of appropriate measures to overcome the constraints.

Moreover, pursuant to Article 9(2), it must not:

— unduly prejudice the aims of the Directive,

— give rise to distortions of competition,

— extend further than necessary.

Thus, as again pointed out by the Commission in its Decisions of 14 January 1998 on Frankfurt and Dusseldorf airports ([6]), the main aim of the Directive is to liberalise the groundhandling services market. The restrictions imposed on third parties consist of restrictions of freedom of such parties to provide such services. By analogy with the State measures restricting the freedom to provide services ([7]), the measures likely to exclude or prohibit the activities of service providers or, in the present instance, those of users wishing to self-handle, even if they apply without distinction to national service providers or users and to those in other Member States, must be justified by overriding public-interest requirements and not by economic factors and must, moreover, be in proportion to the aims pursued.

1.2. *Procedure*

The German authorities undertook to make the entry into force of the exemption decision subject to the Commission's decision.

As pointed out in its two decisions on the airports at Frankfurt and Dusseldorf ([8]), the Commission's examination must address:

— the existence and scope of the constraints justifying the exemption and the inability to provide openings to the extent provided for by the Directive; only space and/or capacity constraints may be taken into account;

— the plan of the appropriate action that is intended to overcome those constraints; that plan must be credible and unconditional and include a timetable for the implementation of those measures;

— conformity with the principles of compliance with the aims of the Directive, absence of distortions of competition, and the extent of the measure referred to in Article 9(2) of the Directive.

Thus an exemption may not be granted with the objective of allowing the airport a further general adaptation period in addition to that already granted by Article 1 of the Directive. It must permit the airport to overcome the specific constraints which it may encounter when the market is opened up. Any exemption must therefore be examined in the light of the specific constraints put forward in justification of the impossibility of opening up the market within the time allowed. In addition, in accordance with the case law of the Court of Justice of the European Communities, any exception must be interpreted strictly and when the scope of an exemption is determined this must take account of the purpose of the measure in question.

It is in the light of these considerations that this exemption has to be examined.

In accordance with Article 9(4) of the Directive, the Commission has made a detailed analysis of the alleged space and capacity constraints, whether the decision taken is appropriate to those constraints, and the measures put forward to overcome them. Its examination drew upon the studies provided by the German authorities, and upon the visit that it made to Stuttgart airport on 24 August 1998 and, finally, benefited from the technical assessment made at its request by Symonds Travers Morgan.

2. Examination of the constraints referred to by the German authorities

2.1. *Available space*

Stuttgart airport currently has 39 aircraft parking positions, 18 of which require the use of pusher tugs (TIPO positions). The Commission experts observed that it was quite feasible to park equipment at the head of aircraft in these positions. The airport's argument that radio guidance of aircraft to their positions prevents parking of equipment for safety reasons is unaccptable since this is common in many international airports and poses no particular problem. This problem can be solved by clear marking of parking places and supervision to ensure proper safety of the aircraft position when the aircraft arrives — normal safety procedures at many airports with nose-in parking.

([6]) Commission Decisions 98/387/EC and 98/388/EC of 14 January 1998, OJ L 173, 18. 6. 1998, p. 32.
([7]) Judgments of 25 July 1991, *Médiawet,* [1991] ECR p. 4007 and C-76/90, *Säger: Dennemeyer,* [1991] ECR, p. 4221.
([8]) See Footnote (6).

The standards and recommended practices of the International Civil Aviation organisation — and mainly Annex 14 of the Convention on international civil aviation — on which are based the national recommendations concerning aircraft stands provide, for the various types of aircraft, the space to be reserved as safety areas, but also for the purpose of parking the equipment. According to the expertise requested by the Commission, because of the type of aircraft to be accommodated, a space of 10m by 6m could be freed on either side of the nose of the aircraft. On this basis, on the 18 stands located on the northern side of the airport (stands TYPO), a surface of 2 100 m^2 could accommodate the equipment for these stands alone.

In 21 positions, however, aircraft can manoeuvre alone without assistance from pusher tugs. It is not therefore possible to park equipment around these positions. On the other hand, operations require less equipment; besides buses for passengers, only gangways and starter units are needed.

It is also acknowledged that many aircraft park on the tarmac overnight and that this contributes to some congestion early in the morning. The aircraft take a relatively short time to leave the airport, however, and all groundhandling equipment is in use during this peak period. It does not therefore seem impossible to part equipment overnight near the aircraft positions.

It should also be noted that, from late 1998, the airport will gain an additional gate parking position, followed, but not before the end of the works, by a further four, which should allow space to be freed for parking equipment on remote positions, even temporarily during the day, without adversely affecting the airport's current capacity.

As regards the claim that it was not possible to estimate the impact of the arrival of new operators, most airports have done so, and especially those which have been the subject of an exemption decision, on the basis of various possible scenarios regarding potential operators. Furthermore, the airport has provided quite detailed information regarding the consequences of opening up the baggage system. Thus there is no reason why the same exercise should not be carried out for other groundhandling operations.

Again, comparison with other airports experiencing overcrowding problems shows that the fact that the airport is coordinated at presented does not automatically mean that the market cannot be opened up to the extent provided for by the Directive.

Since, in application of the German authorities' decision, a second service provider will be allowed to operate in the airport from 1 January 1999, the survey requested by the Commission assessed the potential impact of the arrival of a self-handling user.

The German regulation transposing the Directive has adopted the size, in decreasing order, of the traffic volume — whether passengers or freight — handled by the user at the airport as one of its objective criteria for selecting users who could be authorised to self-handle if they were limited in number.

If Lufthansa, the main airline at the airport, were to opt for self-handling, there would be a major impact on groundhandling owing to the number of Lufthansa flights using the airport, as it could handle its own aircraft and those of its subsidiary, Condor. The amount of additional equipment required can be estimated by examining the flight timetable. Account must be taken of the fact that, in general terms, operator proliferation causes an increase in equipment requirements since each operator then has to cater for its own peaks, which do not necessarily coincide with those of the airport as in the case of a single operator. On the other hand, the monopoly operator needs less equipment due to the loss of some of his customers.

In view of the number of Lufthansa flights using the airport, it can be estimated that if Lufthansa were to self-handle, the airport would need almost 30 % less equipment. However, taking as a basis the busiest time of day, 10 of the 18 flights handled simultaneously at the airport are Lufthansa flights. Lufthansa would need the equivalent of almost 55 % of all the equipment used on the airport at that time. It would therefore seem that 25 % (55 %-30 %) more space would be needed, in view of Lufthansa's flight timetables, ignoring the fact that a new service provider could also be operating from January.

Given the needs set out in the study supporting the German authorities' dossier, this would correspond to additional space of almost 2 750 m^2. This need could be satisfied with the available space referred to above, in addition to that mentioned by the German authorities, combined with better use of space at the head of aircraft.

Were a carrier other than Lufthansa, such as Deutsche BA, the second biggest carrier in terms of traffic, to apply for self-handling, some 15 % extra would be needed at the busiest time of its flight timetable. It should not be impossible to meet this need with the space identified above.

The German authorities have not therefore demonstrated that no user wishing to self-handle can be allowed in the airport. On the other hand, it does not seem to be possible to accept a second user and thus satisfy in full the requirements of the Directive and the German regulation on self-handling.

2.2. *Baggage handling*

Baggage routing is one of the main points of the exemption and the companies that reacted to the notification acknowledge the difficulties with the baggage delivery system. An association of carriers refers to an agreement between carriers to the effect that, owing to the limited space in the baggage sorting room, loading and unloading between the belt and the trolleys should be carried out only by the airport.

It has to be acknowledged that this room is small and, at times, congested. The same applies to the requirement to limit incoming traffic owing to capacity problems.

Baggage is recovered manually from the conveyor belt, and not by chutes with automatic baggage recognition. It is placed on waiting trolleys destined for particular flights. This is the task that carriers have decided to leave to the airport personnel owing to the lack of space along the belt and the manual baggage recognition system.

On the other hand, it dos not matter very much how many operators handle the carriage of baggage from the system to the aircraft as long as the flow of trolleys is carrefully controlled. Within the baggage handling hall the total number of trolleys needed at any particular moment depends not on the number of operators but rather on the number of flights to be serviced. Strict control of trolley flow and of the number of trolleys allowed into the areas, accepting only the number of trolleys required for handling operations at that time, would avoid congesting the baggage transfer hall. Baggage is managed in this way at airports already open to competition, as the airport is naturally entitled to impose administrative and supervisory rules on all operators in order to ensure that the system operates smoothly. It has not therefore been shown that it is impossible to allow another operator into the baggage sorting building.

It must nevertheless be acknwledeged that the proliferation of operators makes it harder to manage them and the movements of their trolleys. Such flow control is fundamental and any weakness in its operation could reduce the overall efficiency of the airport. Efficient flow control can only be achieved if there are no problems upstream or downstream of the baggage sorting system. Yet, in the case of Stuttgart airport, the problem is caused by the lack of space for waiting trolleys in front of the doors of the system. The entrance to the baggage system is actually located between the doors where passengers arrive, along the bus lanes. Moreover, these doors are very close together and front-loading buses have to be used. Trolleys cannot therefore be allowed to wait here in large numbers and the could not be parked nearby for another user in addition to the second service provider allowed for in the German authorities' decision.

It is because of this problem of parking near the system, rather than because of a problem inside the building, that we acknowledge that a self-handling user could not be allowed in addition to two operators providing ground-handling services for third parties from January 1999.

However, as stated above, it has not been demonstrated that a self-handling user could not be allowed to operate on the other parts of the airport, especially for aircraft-side operations. The refusal to accept a user loading and unloading his own baggage at the aircraft cannot therefore be accepted.

3. **Measures planned**

In accordance with the provisions of Article 9(2) of the Directive, the German authorities must present a schedule of appropriate measures designed to overcome the constraints cited.

An expansion and renovation plan has been adopted by the airport management body, involving extending Terminal 1 and rebuilding Terminal 3; this work will allow four new gate parking positions to be created in place of the present hangar, which will serve as a terminal as soon as work begins on Terminal 3. A rail link to ICE train services is also planned. Finally, the freight area is to be completely reorganised.

A plan to extend the airport site has also been presented but has aroused considerable controversy.

There are plans for a new hall to park groundhandling equipment.

Moreover, there will be space for groundhandling equipment in the new freight centre to be built on land in the southern area to be freed by the US army. The dossier presented in support of the German authorities' notification includes an assurance that enough space will be cleared there to enable the groundhandling services market to be fully opened up by early 2001.

The work should be completed by the end of 2000 and the airport will in any case open the hall for storing groundhandling equipment by that date. Similarly, the construction of the new terminals will allow baggage handling operations to begin in accordance with the provisions of the Directive.

4. **Compliance with the criteria of Article 9(2) of the Directive**

As regards the conformity of the exemption with the principles set out in the Directive, Article 9(2) states that the exemption must not extend further than necessary.

As regards the duration of the exemption, the work schedule shows that it will not be possible to open up the market to the minimum extent required by the Directive, i.e. to two service providers and two self-handling users, before the work is completed, namely at the end of 2000. The duration requested therefore seems to be proportional to the applicable constraints. Regarding the exent of the measure, on the other hand, the notification contains an exemption that is broader than necessary, firstly for prohibiting any self-handling users and secondly for extending the prohibition to operations for which the necessary space could be allocated.

V. **CONCLUSION**

Stuttgart airport does not have structural space and capacity problems that prevent any opening-up of the groundhandling services market. The decision of the German authorities also limits exemption to the prohibition of self-handling operations. However, with the exception of operations involving the transport of baggage between the aircraft and the airport, the German authorities have not demonstrated that no user wishing to self-handle can be admitted at the airport. On the other hand, the space available means that no more than one self-handling user can be admitted for the other operations covered by the exemption.

The exemption presented by the German authorities should therefore:

— prohibit self-handling solely for baggage-handling operations between the aircraft and the air terminal (part of point 5.4 of the Annex to the Directive),

— limit self-handling to a single user for all the other operations mentioned in the notification received by the Commission on 3 August 1998,

HAS ADOPTED THIS DECISION:

Article 1

The Decision of 23 July 1998 to grant an exemption to Stuttgart airport, as notified to the Commission on 3 August 1998, is hereby approved by the Commission provided that the Federal Republic of Germany amends it as follows:

— prohibit self-handling until 31 December 2000 for baggage transport between the air terminal and the aircraft as defined in point 5.4 of the Annex to the Directive,

— limit self-handling to a single user until 31 December 2000 for the activities referred to in points 4, 5.5, 5.6 and 5,4 of the Annex to the Directive with regard to loading and unloading the aircraft and the transport of passengers between the air terminal and the aircraft.

Article 2

The Federal Republic of Germany shall notify the Commission of the exemption decision amended in accordance with Article 1, before it enters into force.

Article 3

This Decision is addressed to the Federal Republic of Germany.

Done at Brussels, 30 October 1998.

For the Commission

Neil KINNOCK

Member of the Commission