



**Dutch Air Passenger Tax: letter from the Director General of IATA to the Minister of Finance of The Netherlands, Mr W..J. Bos**

24 February 2009

Dear Minister Bos,

On behalf of IATA and its 230 Member airlines, representing 93% of scheduled international air traffic, I am writing to seek urgent action by the Dutch Government to remove the Air Passenger Tax that was introduced in July 2008.

Only seven months after its introduction, the Air Passenger Tax has already had a serious impact on traffic figures. There has been a decline of almost a million departing passengers from Schiphol airport as compared to 2007/2008. 2009 is predicted to be even more difficult - the airport predicts a sharp drop in passenger traffic, together with an expected decline in air transport movements of up to 10%.

The consequence, as you will agree, is a clear deterioration in the competitiveness of the airlines at Schiphol in comparison to other main EU hub airports or even neighbouring airports such as Brussels Zaventem or even Düsseldorf and Weeze in Germany. The vital role for the Dutch economy of Schiphol International Airport remaining a main EU hub is endangered. The Dutch Government must take action now to maintain the network of connections, which is crucial infrastructure for its open economy.

The Air Passenger Tax has proven to be both disastrous and ineffective - this shift of passengers from Schiphol to other airports does nothing to help fight climate change. Furthermore, the Air Passenger Tax represents an unacceptable cost burden on the aviation industry and an unfair penalty to aviation jobs in the Netherlands at the very time that other industries around the world are benefiting from economic crisis recovery measures.

IATA welcomes your Government's announcement to take action to restore the international competitive position of Schiphol. As a significant first step, I urge you to withdraw the Air Passenger Tax at the earliest possible moment. In the current situation, there is no time to waste.

Sincerely,

Giovanni Bisignani  
Director General and CEO  
IATA – International Air Transport Association  
Montreal – Geneva

cc: Mr. C.M.P.S. Eurlings, Minister of Transport, Public Works and Water Management  
Ms. M.J.A. van der Hoeven, Minister of Economic Affairs  
Mr. P. Hartman, President & CEO, KLM  
Mr. H. Gorter, Chairman, BARIN