Brief

AVIATION POLICY IN IRELAND

For political representatives and aviation stakeholders in the Republic of Ireland

Air travel changes lives by linking people, cultures, and opportunities worldwide. Aviation broadens cultural understanding, brings families together, and drives prosperity by improving connectivity for businesses, tourism, trade, jobs, and innovation. Nowhere is this more the case than in Ireland.

VALUE OF AVIATION

Ireland has always played an outsized role in global aviation. From its world-leading aircraft leasing sector to its key position linking Europe and North America, aviation has become one of Ireland's great modern success stories.

For an island nation, air connectivity is more than transport — it is essential to business, tourism, communities, and regional prosperity. As Parliament moves through the middle of its term, and with Ireland set to assume the EU Presidency in the second half of 2026, this is an opportune moment to strengthen that legacy of success, and guide the next chapter of Irish aviation.

Total economic impact of aviation in Ireland

Source: Oxford Economics, 2023[1]

Source: IATA DDS, 2023
Note: Measured by O-D international passenger departures.

Aviation directly employs over 44,000 people and contributes USD5.6 billion (EUR4.8 billion) to GDP. Including the wider supply chain and tourism, the sector supports more than 128,000 jobs and adds USD 20 billion (EUR17.3 billion) to the economy.

Tourism brought by air travel alone contributes USD5 billion (EUR4.3 billion) to GDP and sustains thousands of jobs, while international visitors spend nearly USD16 billion (EUR13.8 billion) annually in local businesses.

Aviation also drives trade, innovation, and global connectivity, enabling efficient supply chains, e-commerce growth, and the movement of goods – including 169,400 tonnes of air cargo through Irish airports in 2023.

OPPORTUNITIES FOR PROGRESS

Dublin Airport

Dublin Airport (DUB) is the largest and most significant airport in Ireland, handling a record 36.4 million passengers in 2025, around four-fifths of all air traffic in the country. DUB accounts for the vast majority of Ireland's air access — connecting the country to 195 international airports across 39 countries through direct scheduled flights. On an average day, it facilitates 309 international departures, representing around 86% of all international flights departing Ireland.

Dublin Airport remains central to Ireland's economic success, but ongoing planning and regulatory constraints continue to limit its ability to meet national connectivity needs. The longstanding 32 million passengers per annum cap no longer reflects operational realities, with the airport handling well above that level in recent years. While Fingal County Council is currently reviewing Dublin Airport Authority's (daa) application to raise the cap to 40 million, the Irish Government has already moved to draft legislation that would abolish the 32m cap entirely. This is an essential step toward securing long-term growth.

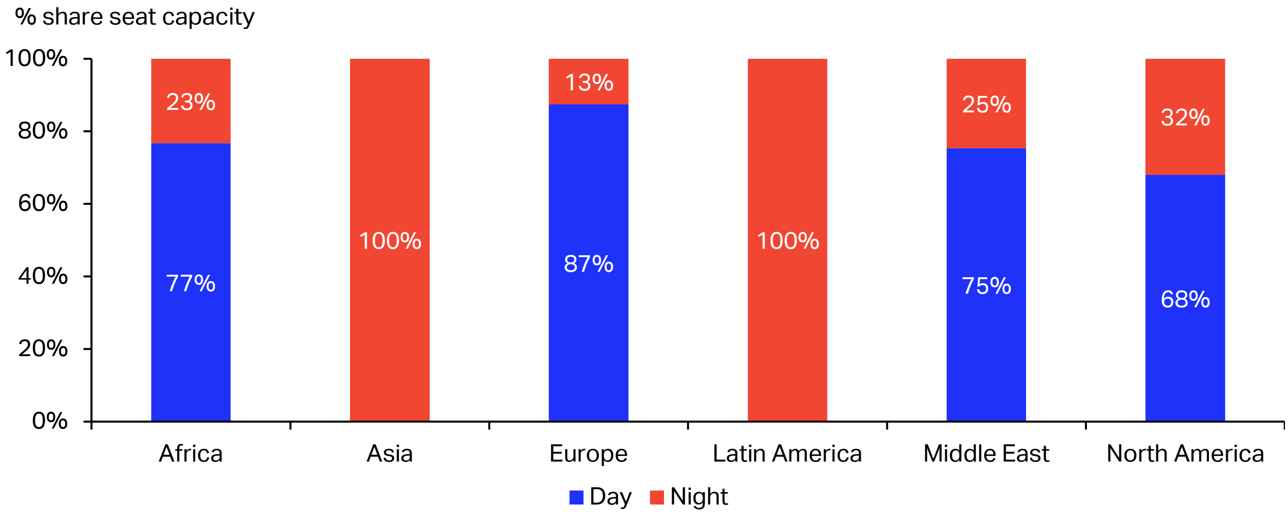
The passenger cap has drawn international attention, with concerns raised that capacity limits at Ireland's largest airport may affect broader market access and bilateral aviation arrangements. This underscores the strategic importance of resolving the cap swiftly so the uncertainty and brake to growth is removed.

Separately, night flight restrictions remain a live concern that is also resulting in uncertainty for operators, harming further investment in growth. In July 2025, An Coimisiún Pleanála (ACP) proposed a Decision that would positively introduce a Noise Quota Scheme (NQS), but also an annual limit of 35,672 night flights (23:00–06:59). The European Commission has taken the view that the annual night movement cap does not follow the Balanced Approach and so the process remains under review by the ACP. Any limit on night movements will prevent future growth and limit DUB from delivering the full connectivity and trade benefits enabled by night flying.

Night flights play a crucial role in Ireland's connectivity. Around 15.5% of inbound seats arrive during nighttime hours, with 32% originating from interregional markets, particularly North America. Early morning arrivals are especially important for business travel, given Ireland's westerly position, and longer flight times relative to continental Europe. Restricting these operations would disproportionately affect high-value markets and reduce Ireland's competitiveness.

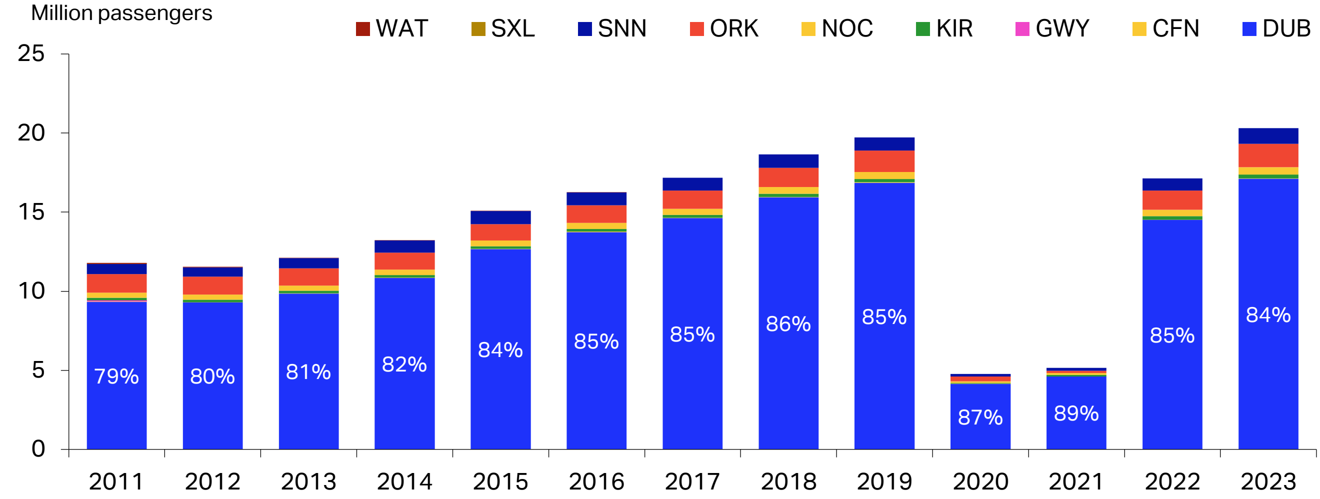
Dublin Airport therefore faces two critical, interconnected challenges: resolving the passenger cap constraint and ensuring pragmatic, sustainable night-time operating conditions. IATA will continue working closely with airlines and government to support establishing a stable regulatory environment that safeguards Ireland's global connectivity and economic competitiveness.

% share arriving seat capacity to DUB airport by arrival time and origin region



Source: IATA Sustainability & Economics based on data from OAG
Note: Total inbound seat capacity by region (in thousands): Africa – 83.7, Asia – 27.1, Europe – 16919.9, Latin America – 1.5, Middle East – 606.0, North America, 2515.8

Passenger departures from Irish airports (2011-2023)



Source: IATA Sustainability & Economics based on data from DDS

OUR RECOMMENDATIONS:

Resolve the passenger cap constraint

Ensure pragmatic, sustainable night-time operating conditions

Leadership in Europe

Europe is grappling with the challenge of maintaining a globally competitive and sustainable aviation sector. The Draghi Report, published in 2025 with 383 recommendations to boost European competitiveness, provides a clear roadmap. Yet progress has been slow, with only around 11% of its proposals implemented to date.

While the report does not focus exclusively on aviation, developments over the past year suggest that progress in the sector has been limited, particularly in areas that require urgent action. Key challenges include:

- **Connectivity**: ensuring Europe remains well-linked both internally and to global markets.
- **Air Traffic Management (ATM)**: modernising systems to improve efficiency, reduce delays, and support growth.
- **Sustainable Aviation Fuel (SAF)**: scaling production and availability to meet climate targets and industry commitments.
  Passenger & Consumer Rights: Modernising Europe's passenger-rights regime is important, but achieving a balanced outcome is complex.

With Europe at a crossroads, Ireland's Presidency of the Council of the EU in the second half of 2026 offers a valuable opportunity to inject momentum into this agenda.

OUR RECOMMENDATION:
Ireland should steer the European aviation debate toward practical, future-focused solutions that enhance competitiveness, improve sustainability, and strengthen connectivity across the continent.

Driving Sustainability Forward

The aviation sector recognizes its responsibility to address climate change, and airlines have committed to achieving net zero CO_2 emissions by 2050. Sustainable Aviation Fuels (SAF) are central to this transition.

At EU level, a 2% SAF blending mandate has applied since January 2025 under the ReFuelEU Aviation Regulation, rising to 6% by 2030. While these targets are a step towards decarbonization, SAF supply remains constrained. Global production in 2024 was forecast at 1.5 million tonnes but reached only around 1 million tonnes, raising concerns that mandated volumes may outpace available supply, with potential implications for cost and affordability.

In parallel, airlines are calling for a comprehensive review of the European Union's Emissions Trading System (EU ETS) to support both European connectivity and the sector's investment in decarbonization. Rising costs, regulatory complexity, and underinvestment—highlighted in the Draghi Report—risk weakening Europe's competitiveness at a time of geopolitical uncertainty and supply-chain disruption.

IATA's recommendations focus on four priority areas:

Ensure Full Implementation of CORSIA

Aviation relies on a stable global regulatory framework. To avoid fragmentation and unnecessary costs, the EU should:

- Apply CORSIA to all international flights, including intra-EEA routes.
- Avoid EU-specific rules that duplicate or conflict with global standards.
- Maintain a simple, predictable system aligned with ICAO commitments.

This ensures environmental outcomes remain verifiable and consistent worldwide while protecting Europe from isolated regulatory approaches that could undermine competitiveness.

Enable a SAF Book-and-Claim System

To accelerate decarbonization and broaden access to SAF, the EU should:

- Allow airlines to claim SAF use based on purchase, not physical uplift.
- Update the EU ETS Directive to enable book-and-claim accounting.
- Expand the Union Database to track SAF attributes and prevent double counting.

A purchase-based system provides flexibility, supports market liquidity, and gives airlines equal access regardless of geographical location, helping to scale SAF production more rapidly.

Reinvest Revenue into Decarbonization

As EU ETS costs escalate following the phase-out of free allowances, more system revenue should be directed back into aviation's transition. IATA recommends:

- Redirecting a larger share of EU ETS revenue into SAF production and emerging technologies.
- Expanding and extending the SAF Allowance scheme to close the cost gap.
- Reinstating free allowances to protect competitiveness during the transition.

Balance Climate Policy for Resilience

In a volatile economic and geopolitical context, IATA emphasizes the importance of aligning ambition with affordability. The EU should:

- Ensure climate measures are harmonized with global frameworks.
- Prevent excessive compliance costs that weaken connectivity or divert investment.
- Advance climate goals while maintaining economic resilience.

Against this backdrop, the development of Ireland's first national Sustainable Aviation Fuel (SAF) Policy Roadmap is both timely and strategically significant. The strategy, adopted in 2025 will create market certainty, stimulate innovation, and attract green investment.

This work forms a key part of the wider aviation policy framework expected in 2026 and positions Ireland to play a leading role in the transition to low-carbon aviation. IATA stands ready to support these efforts, providing global expertise to help shape a credible, future-focused approach that meets Ireland's sustainability ambitions while strengthening connectivity and competitiveness.

OUR RECOMMENDATIONS:

Fully implement the national SAF strategy and roadmap

Use aviation ETS revenues to support SAF production and infrastructure and enable local adoption through supply chain development

Support for a global SAF accounting system ('Book and Claim'), and promote Ireland as a SAF production hub and export leader

Consumer protection

When it comes to delays and cancellations, prevention is better than cure. IATA calls on governments and regulators to incentivize all stakeholders in the aviation system to improve customer service rather than punishing airlines for events that are often outside their control.

Regarding the revision of EU Regulation 261/2004 (EU261), IATA has been supportive of regulatory reform that focuses on what passengers actually want, safeguards affordable air connectivity, and preserves European aviation competitiveness.

IATA's priorities for meaningful reform of EU261 are:

1. Revising delay compensation thresholds to give airlines a reasonable timeframe to resolve technical issues and offer alternatives,

2. Defining extraordinary circumstances with a binding, non-exhaustive list of circumstances that would exempt airlines from the obligation to pay compensation – to avoid potential conflicts between EU261 and safety and to prevent airlines becoming the insurer of last resort for disruption outside their control.

3. Preserving commercial and pricing freedoms to enable airlines to offer choice and value to European citizens.

4. Reducing the regulatory and administrative burden by enhancing legal clarity and stemming the tide of creative judgments from the CJEU.

Unfortunately, IATA is concerned that the reform process is heading in the wrong direction and could make matters worse not better. If the issue is still on the table when Ireland takes over the EU Presidency, it must prioritize a solution that safeguards the connectivity and choice which passengers prize above all else.

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Working together

Domestically, the Government's planned update to the National Aviation Policy — expected in 2026 — represents an important opportunity to set a clear, forward-looking framework for the sector. While the 2015 policy remains in place, work is underway on a revised strategy that can better reflect today's connectivity, sustainability and regional development priorities. A stable and supportive policy environment will be essential to ensuring Ireland has the air links it needs to prosper.

Much has changed since Ireland's current National Aviation Policy was published in 2015, from Brexit and the impacts of COVID19 to evolving economic conditions and global uncertainty. As the Government works toward a revised policy for publication in 2026, supported by planned stakeholder consultation, the next framework must reflect today's realities and position Ireland for long-term success.

The challenges facing Irish aviation are real, but the opportunities are even greater. With the right policy framework, aviation can continue to drive economic growth, regional development, and Ireland's sustainable transition.

In summary, we look forward to working with government, parliamentarians, & stakeholders to:

- Address capacity needs at Dublin Airport in a balanced and sustainable way, including tackling the constraints created by current terminal capacity limits and night-flight restrictions
- Ensure national aviation policy supports long-term connectivity and sustainable growth, enabling Ireland to compete globally
- Support the development and delivery of Ireland's Sustainable Aviation Fuel (SAF) roadmap, helping to unlock new green economy opportunities
- Maximize Ireland's influence during its 2026 EU Presidency, using the role to advance a forward looking and competitive European aviation framework that balances the needs of consumers without undue financial and administrative burden on the airline sector

About IATA

The International Air Transport Association (IATA) represents over 360 airlines and 82% of global air traffic. Our local office is on hand to answer any questions you may have in relation to travel policy or guidance. As the only global aviation trade association in Ireland, we provide regular updates on aviation policy, statistics and global trends. Our advocacy team regularly meets with parliamentarians, officials, and industry bodies and organizes policy events.

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