NATS eligible for funding of up to £92 million to maintain services

- air navigation service providers to receive a share of £1.1 billion support package to maintain critical services as income plummets due to coronavirus
- the UK's NATS would be eligible to receive up to £92 million in support
- the government continues to work closely with the aviation sector to support organisations affected by coronavirus

Air navigation service providers across Europe will share a £1.1 billion support package to maintain services, as the fall in air traffic has led to a dramatic reduction in their income.

The UK, along with other European states, has supported the intergovernmental organisation, <u>EUROCONTROL</u>, which manages charging for air navigation services across Europe, in securing a loan of £1.1 billion to maintain critical air navigation services, which have been affected by the fall in air traffic from coronavirus.

As the UK's enroute air navigation service provider, <u>NATS</u> would be eligible to receive up to £92 million in support, enabling it to continue providing services, supporting cargo and repatriation flights as well as ensuring the organisation can return to full operations at the appropriate time, to help the recovery of the aviation sector.

Following the announcement last week that airlines would be able to temporarily defer payments for route charges for up to 14 months, this arrangement provides financial relief to air navigation service providers also facing disruption as a result of coronavirus.

The UK government holds a 10% share in the vote for any such action passed by EUROCONTROL and voted in favour of pursuing the loan. Founded in 1963, the organisation has 41 member states and is not an agency of the EU.

Transport Secretary Grant Shapps said:

The effect of coronavirus is being felt right across the aviation sector which is why we have announced an unprecedented package of support measures to help firms through this extremely testing period.

Air navigation service providers rely on airlines operating for their revenue, so this support will enable them to continue providing their safety critical services, as we help stranded Brits get home and transport vital medical supplies.