
ETRC - Supporting an end to the confiscation of duty free liquids

Introduction

The European travel retail and duty free industry fully supports the progressive implementation of the EC Roadmap for Liquids. Restrictions on the transfer of duty free liquids continue to severely affect passengers, airport retailers and suppliers.

The EU can act now to help passengers and European businesses. The European Commission intends to publish a new proposal by November 2009 that will lift the restrictions for transfer passengers who have bought duty free items in airport shops in third countries. The ETRC strongly supports this initiative by the Commission.

The Roadmap for Liquids must be fully implemented as soon as the supply of new technology makes it feasible to do so without compromising safety, security and the passenger experience. However, waiting for the perfect technology solution will result in continued inconvenience for passengers for many years to come.

Staged implementation of the Roadmap for Liquids will make the confiscation of duty-free liquids, gels and pastes (LAGs) from transfer passengers a thing of the past, and will ensure a much needed return to normality for air passengers.

The EC Roadmap for Liquids

High value liquid products from airport duty free shops around the world continue to be confiscated from transfer passengers at security checkpoints at European airports. Aside from the obvious impact upon the passenger experience, confiscations of liquid products from transfer passengers have severely impacted consumer confidence in airport retailing.

The 'transfer passenger problem' has affected airport retailers in Europe and their international operations. Moreover, many European liquor, perfume, cosmetics suppliers and other major international suppliers have lost significant revenues since 2006 as a result.

The EC Roadmap for Liquids is a plan which charts the development and deployment of technology to detect liquid explosives at EU airports by April 2010. There are two types of detection technology that are considered necessary to allow the lifting of liquid restrictions.

Firstly, Type 'C' technology requires liquids to be removed from bags and placed in a tray for screening. Leading detection technology manufacturers are adamant that Type 'C' machines are ready to be deployed at EU airports. These machines have been tested positively by a number of European governments and by the ECAC Technical Task Force. All indications are that deploying Type C equipment will have no discernible effect upon the time taken to process passengers.

Type 'D' technology will, when developed, allow for liquids to be left in bags during screening. Type 'D' technology is still at a very early stage of development. Estimates vary in terms of when Type 'D' technology will be ready but all experts agree that it will not be ready for use for many years to come. Experts also agree that it will also be prohibitive in terms of cost and possibly size.

Therefore ETRC strongly supports that we use the technology that is available today to benefit both businesses and passengers. Waiting for a Type D solution could take many years, and it is still unsure if it would work or not.

An interim solution to the ‘transfer passenger’ problem

The proposal is expected to exempt duty-free and travel retail products from liquid restrictions based on the following strict security considerations linked to the sale of our products.

1. All products are purchased in airport duty free stores.
2. All products are packaged by the retailer when purchased in sealed, tamper evident bags (STEBs)
3. All purchases contain clear proof of purchase within thirty six hours of time of sale.

Other provisions require EU airports to invest in appropriate levels of liquids screening technology deemed sufficient for the individual airport and to ensure that at least 10% of all LAGs from transfer passengers are screened.

A previous attempt to address the ‘transfer passenger’ problem on a country by country basis has stalled. Regulation (EC) 915/2007 instructed the European Commission to enter into separate agreements with third countries on aviation security. Despite the best efforts of the Commission, the process has proved to be lengthy and bureaucratic. As a result, since the introduction of the regulation only two agreements have been successfully implemented.¹

The ETRC strongly believes that the proposed exemption reaches a compromise which will ease restrictions on the transfer of duty-free products which are supplied to airside duty-free stores through a secure supply chain. It is a common sense move that will stop unnecessary confiscations from passengers. In the meantime, all stakeholders must continue to work together to successfully implement the Roadmap for Liquids.

Reaching a solution for all passengers

The success of the EC Roadmap for Liquids is wholly dependent on good cooperation between regulators, technology manufacturers and the airport operators.

The ETRC believes that the deployment of screening technology is the only long term and sustainable solution to delivering enhanced security without severely impacting airport retail sales. However, Type ‘D’ technology may never be possible due to a high false alarm rate and the delays this would cause when processing passengers at security checkpoints.

The ETRC understands that Type ‘C’ technology now exists that can effectively scan for the newly identified liquid threats. ETRC understands that the two main providers of this technology are in a position to quickly equip European airports over the course of the next 12 months.

Conclusion

The ETRC encourages all stakeholders including the Commission, national regulators, detection technology manufacturers and airport operators to begin the full implementation of the Roadmap for Liquids including an interim solution for transfer passengers as soon as possible. It is an imperative that all stakeholders should adhere to agreed deadlines.

The proposal to address the ‘transfer passenger’ problem respects the security of all passengers, while serving to minimise confiscations from passengers and the economic impact on retailers.

An end to the unnecessary confiscation of duty free products will be good news for all air passengers and good news for airport retailers and their suppliers.

¹ The EU has operational third country agreements under Regulation (EC) 915/2007 with Singapore and Croatia.

The ETRC strongly urges members of the European Parliament's Transport and Tourism Committee and national regulators to call on all stakeholders to work together to reach a long term solution to the liquids ban. As a first step, the ETRC calls on legislators in the European Parliament and national regulators to support the efforts of the Commission to bring forward a practical and workable solution to end the 'transfer passenger' problem.

About the European Travel Retail Council

The European Travel Retail Council represents the interests of companies retailing tax and duty free products and services to international air and sea travellers. The organisation works closely with European and international government, regulatory and other stakeholders and is composed of national trade associations made up of over 500 European companies.

The European Travel Retail Council's operations are directed by its supervisory board and carried out by a full-time secretariat headquartered in Paris. For more information about the organisation, please see our website – www.etr.org

Questions and Comments

For more information, please contact

Keith Spinks
Secretary General
European Travel Retail Council

Tel: +34 932 051 276
Mob: +34 687 529 528
E-mail: keith.spinks@etr.org