

6th August 2026

Rob Bishton
Chief Executive
Civil Aviation Authority
Aviation House
Beehive Ring Road
Crawley RH6 0YR

Dear Rob,

CAP3286: Consultation on Heathrow's Future Regulatory Framework

Swissport welcomes the opportunity to respond to the Civil Aviation Authority's consultation on Heathrow Airport's future regulatory framework.

As the world's leading provider of ground services, air cargo handling and airport hospitality, Swissport supports the aviation industry through the safe, reliable and efficient delivery of mission-critical services. Every aircraft turnaround depends upon infrastructure that enables ground operations to be performed safely, predictably and on time. The quality of an airport's infrastructure is therefore fundamental not only to the passenger experience but also to the resilience of the entire aviation system.

Efficient and effective infrastructure at Heathrow is essential for organisations like Swissport – which are responsible for aircraft turnarounds, baggage handling, cargo operations and airport lounges – to maintain world-class standards of operational performance. Ground handling is a highly coordinated activity in which delays, poor asset utilisation or operational constraints in one part of the airport can quickly affect airlines, passengers and supply chains across the wider network. Airports should therefore have clear commercial incentives to optimise operational performance as well as control costs.

We agree with the CAA that there is a strong case for fundamentally changing the current regulatory framework. We would, however, encourage the CAA to be more ambitious about scope than CAP3286 proposes. It appears that the new arrangements would apply to expansion first and extend them to business-as-usual activity over time (paragraphs 2.5 and 4.35). The infrastructure our operations depend on every day is in the existing terminals and on the existing apron. Under the approach set out in CAP3286, the arrangements governing investment in those assets would change only incrementally and slowly. The current framework does not create the incentives needed to promote efficient capital investment, operational accountability or value for the airlines, service providers and passengers who ultimately fund the airport. Addressing these issues requires structural reform rather than incremental adjustments.

We support the CAA's aim of furthering the interests of consumers, where appropriate by promoting competition in the provision of airport operator services. Our experience across airports around the world, including more than 20 major international hubs, demonstrates

that competition encourages infrastructure providers to focus on efficiency, service quality and innovation while strengthening accountability for investment decisions. Direct competition between terminal operators creates the strongest incentives to improve efficiency and service quality delivering better outcomes across all areas of airport operations. Coordination across terminal boundaries does require protocols and clear working practices. Those requirements are routine, and we manage them daily at airports where terminals are separately operated. Far from creating operational challenges, separate terminal ownership has consistently demonstrated that competitive models drive higher standards of performance, greater efficiency in the deployment of staff and equipment, faster recovery from disruption, and enhanced operational resilience.

We note that the CAA intends to commission external advice on the potential for fragmentation and on international precedents where there are multiple operators, including to understand how any operational issues at Heathrow could be mitigated (paragraph 5.11). We would welcome the opportunity to contribute to that work. We can provide first-hand operational evidence from airports where we work alongside separately operated terminals, and we would be glad to arrange operational visits so that the CAA and its advisers can see those arrangements first-hand.

Limiting competition solely to new assets would leave the structural incentive issues identified at today's airport unresolved. Likewise, restricting competition to downstream procurement and construction would leave Heathrow Airport Limited responsible for determining project scope and design before competitive disciplines are brought to bear. We therefore welcome the CAA's view that competitive procurement should be considered for a broader range of assets than HAL has proposed (paragraph 4.40). We note the importance of competition being introduced as early as possible in major investment decisions at Heathrow. Our assessment suggests that early investment decisions often have the greatest influence on whole-life costs and long-term operational performance.

Swissport welcomes the proposal to establish a strengthened capital governance framework, including the creation of a capital committee. For the Committee to be effective, there should be a clear and timely process for escalating serious concerns to the CAA, together with meaningful regulatory consequences where those concerns are upheld. The current regulatory framework does not provide sufficiently strong consequences for poor performance by HAL. To ensure the Committee has meaningful influence over investment decisions, we consider it should have the power to prevent expenditure from being added to the regulated asset base where HAL has not demonstrated the value or efficiency of its investments. Swissport would be pleased to be part of this committee and contribute our global expertise and operational experience to support efforts to make Heathrow more efficient, resilient, and focused on delivering value for all stakeholders.

CAP3286 states that the CAA will consult HAL and airlines on the scope of the expert review of capital governance design (paragraph 5.5). Swissport is neither HAL nor an airline, but the sequencing and quality of terminal and apron investment determines whether we can deliver for the airlines we serve. We would ask to be consulted on the scope of that review, and for the operational experience of ground handlers and cargo operators to fall within it.

For Swissport, the objective is clear. Heathrow should be supported by infrastructure that enables safe, efficient, reliable and resilient operations every day. A regulatory framework that promotes genuine competition, disciplined capital investment, cost efficiency and greater accountability will strengthen the resilience of one of the world's most important international airports while delivering better services for airlines, ground handlers, cargo operators and passengers alike.

We encourage the CAA to act now to implement lasting structural reform that creates the right incentives for efficient investment and operational excellence across Heathrow. This is

a pivotal moment to reset the airport's regulatory model and deliver better outcomes for consumers.

Yours sincerely,



Warwick Brady
President & CEO
Swissport International

cc. Tim Johnson, Director for Consumers and Markets UK Civil Aviation Authority.
economicregulation@caa.co.uk