

EFTA Surveillance Authority Rue Belliard 35 B-1040 Brussels

Your ref. Our ref. Date

Case No: 86180 21/1502 - 19th of April 2021 Document No: 1175298

## Request for Information Concerning an Alleged Boycott of Wizz Air

Reference is made to ESA's letter of 19 February 2021, requesting information concerning an alleged boycott of Wizz Air by several Norwegian municipalities and one Norwegian state-owned company.

This letter aims to provide answers to the three questions raised by ESA in the letter of 19 February 2021. However, there may be relevant situations the Norwegian Ministry of Trade, Industry and Fisheries does not have knowledge of. The Ministry underlines that in answering the questions, the Norwegian government is not providing an assessment of what actions concerning Wizz Air may or may not constitute either threats of, or decisions to, boycott the company.

1. Please confirm if public bodies in Norway, municipalities or e.g. state-owned companies, have threatened or actually decided to boycott the complainant, with respect to domestic flight routes in Norway.

According to the information we have, the following county authorities/municipalities have made formal resolutions regarding either to restrict or refuse the use of Wizz Air (date of resolution included in parenthesis):

- Agder County Authority (11.11.2020)
- Fredrikstad Municipality (04.03.2021)
- Malvik Municipality (07.12.2020)
- Molde Municipality (17.12.2020)
- Møre og Romsdal County Authority (26.10.2020)
- Oslo Municipality (09.12.2020)
- Sogndal Municipality (18.02.2021)
- Stavanger Municipality (14.01.2021)

- Stord Municipality (26.11.2020)
- Viken County Authority (26.11.2020)

Furthermore, in the following county authorities/municipalities, either formal or public debate over Wizz Air has resulted in formal resolutions regarding transport services in general, but with no explicit reference to Wizz Air or other economic operators (date of resolution included in parenthesis):

- Lillehammer Municipality (28.01.2021)
- Sarpsborg Municipality (20.11.2020)
- Trøndelag County Authority (16.12.2020)

## Other cases

In the following county authorities/municipalities, questions concerning Wizz Air have been directed to the City Council, the County/Municipal Executive Committee, or to the county mayor/mayor, without resulting in any formal resolutions on the matter:

- Bergen Municipality
- Høyanger Municipality
- Sandnes Municipality
- Trondheim Municipality
- Vestland County Authority
- Vestfold and Telemark County Authority
- Voss Municipality

In the case of Bergen Municipality, a city government member gave a verbal reply to a question concerning Wizz Air in a City Council Meeting on 17 November 2020, in which it was expressed that Bergen Municipality will not purchase services from Wizz Air. In the case of Trondheim Municipality, the matter will be discussed in the City Council Meeting scheduled on 28 April 2021. In the other five cases, written interpellations regarding Wizz Air have received replies from the county mayor/mayor that is on public record. Only in the case of Høyanger Municipality, did the reply from the mayor encourage the municipality, amongst others, not to use Wizz Air.

Nordland County Authority, which was listed in ESA's letter as one of the municipalities that had acted in this matter, has as far as the Ministry is aware, not made any formal resolutions or statements concerning Wizz Air, however, politicians in the county municipality have made general statements to the media on the topic without explicit reference to Wizz Air.

## State-owned companies

The Ministry is not familiar with any state-owned companies that have a policy of not using the complainant's services, other than Statnett. As regards to Statnett's decision, the Ministry encloses the attached statement from Statnett (covering both question 1 and 2).

2. If question 1 is answered in the affirmative, please explain in detail when and how such measures were taken, by whom and, in particular, what was their prescribed aim.

The Ministry assumes ESA considers the ten county authorities/municipalities that have made formal resolutions regarding either to restrict or refuse the use of Wizz Air as relevant for this question:

- Agder County Municipality. Formal resolution made by the administration committee on 11 November 2020. The administration committee comprised of both employee representatives and politicians representing the employer. The prescribed aim is to encourage the county municipality employees and politicians not to use Wizz Air or other airlines that work against union rights, for work-related travels.
- Fredrikstad Municipality. Formal resolution made by the Municipal Executive Committee on 4 March 2021. The prescribed aim is to not use the services of Wizz Air as long as the company does not respect union rights (ILO's core conventions 87 and 98).
- Malvik Municipality. Formal resolution made by the Municipal Council on 7 December 2020. The prescribed aim is that the municipality only shall purchase work-related travel services from companies with a positive stand on unions, thus Wizz Air shall for the time being not be used for work-related travels by the municipality.
- Molde Municipality. Formal resolution made by the Municipal Council on 17 December 2020. The prescribed aim is that the municipality shall not use the services of Wizz Air or other companies that refuse their employees to unionize, until they have a positive stand on their employees' right to unionize.
- Møre og Romsdal County Municipality. Formal resolution made by the County Executive Committee on 26 September 2020. The prescribed aim is to encourage employees and politicians to not use Wizz Air and other airlines that work against their employees' right to unionize, for work-related travels.
- Oslo Municipality. Formal resolution made by the City Council on 9 December 2020.
  The prescribed aim is that the municipality shall not use the services of Wizz Air or other
  companies that refuse their employees to unionize for work-related travels until they have
  a positive stand on their employees' right to unionize.
- **Sogndal Municipality.** Formal resolution made by the Municipal Council on 18 February 2021. The prescribed aim is to encourage not to use Wizz Air. Wizz Air shall if possible, not be used by municipal directives.
- Stavanger Municipality. Formal resolution made by the Municipal Executive Committee
  on 14 January 2021. The prescribed aim is that the chief municipal executive reports to
  the Municipal Executive Committee on the municipality's possibility to exclude the

company from contracts with the municipality. (Comment: This resolution is the result of an interpellation regarding Wizz Air, thus "the company" refers to Wizz Air.)

- Stord Municipality. Formal resolution made by the Municipal Council on 26 November 2020. The prescribed aim is that the municipality shall not use Wizz Air for work-related travel as long as the company does not respect or comply with the ILO Conventions.
- Viken County Municipality. Formal resolution made by the County Council on 26
  November 2020. The prescribed aim is to not use Wizz Air for municipal work-related
  travel as long as the company does not respect unions or collective negotiations (ILO
  Core Conventions 87 and 98).
- 3. If question 1 is answered in the affirmative, please explain if such actions are compatible with Article 31 EEA and/or Article 36 in conjunction with Regulation 1008/2008.

The Ministry does, as mentioned above, neither have full knowledge of the actions of county authorities and municipalities, nor does it have all the facts of the situations described under question 2 above. However, the information available to the Ministry at this stage, does not give sufficient grounds to conclude that the municipalities' actions constitute restrictions in the freedom of establishment or to provide services.

In any event it should be reiterated that restrictions may be justified by overriding reasons in the public interest. As ESA mentions in the second paragraph of its letter, the protection of workers' rights and in particular the right to collective bargaining, collective action and the right to freedom of assembly and association, are amongst the fundamental rights forming part of the principles of EEA law. A restrictive action to safeguard these rights may thus be justified.

Yours sincerely,

Randi Vesseltun (b.a.) Deputy Director General

Kristine Werdelin Bergan Assistant Director General

This document is signed electronically and has therefore no handwritten signature.