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Международная
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30 January 2009

Subject: Action by States on recommendations of the Conference on the Economics of Airports and Air Navigation Services (CEANS)

Action required: Early implementation of the recommendations, as relevant and depending on national circumstances

Sir/Madam,

I have the honour to refer to the Conference on the Economics of Airports and Air Navigation Services (CEANS), which was held at ICAO's Headquarters in Montréal, from 15 to 20 September 2008. The Conference was attended by 535 participants from 103 Contracting States and 17 international organizations.

The Conference adopted a total of 15 recommendations, which will enhance cooperation in the air transport industry, in particular between regulators, providers and users, while increasing the efficiency and cost-effectiveness of airport operations and the provision of air navigation services. At the same time, the recommendations call for States to enshrine the main principles contained in *ICAO's Policies on Charges for Airports and Air Navigation Services* (Doc 9082) of non-discrimination, cost-relatedness and transparency of charges, as well as consultation with users, in their national legislation, regulations or policies and in all air services agreements between States.

The recommendations also include other highly significant items such as the support for separation of States' regulatory responsibilities from service provision, the application of good governance by providers through best practices, the protection of passenger interests, more flexibility for commercialized airports and air navigation services providers in setting charges, and the efficient and cost-effective implementation of the ICAO global air traffic management concept.

The Council, at its 185th Session, on 14 November 2008, approved all the Conference recommendations, including those concerning the revision of Doc 9082, which is being published as the

Eighth Edition. A number of recommendations call for specific actions by Contracting States. They are listed in the Attachment for your consideration and action, as required.

Further information about CEANS, including the report of the Conference and the Eighth Edition of Doc 9082, are available on the ICAO-NET and on the ICAO website at <http://www.icao.int>. Additional information and any clarification on the Conference recommendations can be obtained from ICAO's Economic Policy and Infrastructure Management Section, by e-mail: epm@icao.int or telephone: +1 (514) 954-6098.

Accept, Sir/Madam, the assurances of my highest consideration.

Taïeb Chérif
Secretary General

Enclosure:

Recommendations adopted by the
Conference on the Economics of Airports
and Air Navigation Services (CEANS)

RECOMMENDATIONS ADOPTED BY THE CONFERENCE ON THE ECONOMICS OF AIRPORTS AND AIR NAVIGATION SERVICES (CEANS) CALLING FOR ACTION BY STATES, AS APPROVED BY THE COUNCIL AT ITS 185TH SESSION

RECOMMENDATION 1 - ECONOMIC OVERSIGHT

THE CONFERENCE RECOMMENDS THAT:

- a) States should bear in mind that economic oversight is the responsibility of States with the objectives, inter alia, to prevent the risk that a service provider could abuse its dominant position, to ensure non-discrimination and transparency in the application of charges, to ascertain that capacity meets current and future demand, and to protect the interests of passengers and other end users, in balance with the efforts of the autonomous/private entities to obtain the optimal effects of commercialization or privatization. To promote these objectives, consistent with the form of economic oversight adopted, States should ensure that service providers consult with users and that appropriate performance management systems are developed and implemented by their service providers.
- b) States should select the appropriate form of economic oversight according to their specific circumstances, while keeping regulatory interventions at a minimum and as required. When deciding on an appropriate form of economic oversight, the degree of competition, the costs and benefits related to alternative forms of oversight, as well as the legal, institutional and governance frameworks should be taken into consideration.
- c) States should consider adoption of a regional approach to economic oversight where individual States lack the capacity to adequately perform economic oversight functions.

RECOMMENDATION 2 - ECONOMIC PERFORMANCE AND MINIMUM REPORTING REQUIREMENTS

THE CONFERENCE RECOMMENDS THAT:

- a) since performance management is an important management tool for service providers, regulators and users, States should ensure, within their economic oversight responsibilities, that appropriate performance management systems are developed and implemented by their service providers.
- b) States should ensure that their service providers establish performance objectives with the purpose, as a minimum, to continuously improve performance in four KPAs, i.e. safety, quality of service, productivity, and cost-effectiveness, and to report at least one relevant performance indicator for each KPA. States may choose additional KPAs according to their objectives and their particular circumstances.

RECOMMENDATION 3 - CONSULTATION WITH USERS

THE CONFERENCE RECOMMENDS THAT:

- a) States should ensure, within their economic oversight responsibilities, that a clearly defined, regular consultation process is established with users by their airports and air navigation services entities where provider/user cooperative arrangements are not already in place.

- b) States should ensure that, as part of the consultation process, users are consulted on the level and structure of charges as well as on capacity development and investments; that users' feedback obtained during consultations is considered as far as possible before reaching a decision regarding any proposal; that the confidentiality of the market-sensitive data is properly protected; and that the relevant decision documents provide appropriate rationale for the decision.

RECOMMENDATION 4 - GOVERNANCE, OWNERSHIP AND CONTROL OF AIRPORTS

THE CONFERENCE RECOMMENDS THAT:

- a) while different ownership and control structures might be appropriate to different airports, States should consider the establishment of autonomous entities to operate airports, taking into account the economic viability of the airport as well as the interests of service providers and users.
- b) where the operation of one or more airports represents only one of several functions performed by a government entity, States should give consideration to a clear separation of the regulatory and operational functions, with roles and powers clearly defined for each one.
- c) States should review the governance structure with regard to their airports, and ensure the use of best practices of good corporate governance with regard to objectives and responsibilities, shareholders' rights and their treatment, responsibilities of the board, power and accountability of the management, relationship with interested parties, and information disclosure.
- d) whenever an autonomous entity is established, States should ensure that all relevant obligations of the State under the Chicago Convention, its Annexes and in air services agreements are complied with and that ICAO's policies and practices are observed.

RECOMMENDATION 5 - AGGREGATION OF COST BASES

THE CONFERENCE RECOMMENDS THAT:

States should consider the need to give airport operators more flexibility with respect to setting charges, for example, by aggregating cost bases in certain circumstances.

RECOMMENDATION 6 - RATE OF RETURN FOR AIRPORTS AND AIR NAVIGATION SERVICES

THE CONFERENCE RECOMMENDS THAT:

within their economic oversight responsibilities, States should, where necessary and in the light of national circumstances, clearly define the methodology for determining what is a reasonable rate of return on assets for their service providers.

RECOMMENDATION 7 - DIFFERENTIAL CHARGES

THE CONFERENCE RECOMMENDS THAT:

- a) within their economic oversight responsibilities States should, where necessary, assess the positive and negative effects associated with specific forms of differential charges applied by airports on a case-by-case basis according to national circumstances.
- b) States should ensure that differential charges are offered on a non-discriminatory basis; that they are transparent in terms of their creation, purpose and the criteria on which they are offered; that, without prejudice to modulated charging schemes, costs associated with differential charges are not allocated, either directly or indirectly, to those other users not benefiting from them; and that, if the purpose is to attract and/or retain new air services, they are offered only on a temporary basis.

RECOMMENDATION 8 - ACCESS TO AIRPORT INFRASTRUCTURE

THE CONFERENCE RECOMMENDS THAT:

States should give due consideration to the results of ICAO's studies and relevant guidance on slot allocation, as well as international general and business aviation access to airports, at their direction and in a flexible manner.

RECOMMENDATION 9 - COST RECOVERY OF SECURITY MEASURES AT AIRPORTS

THE CONFERENCE RECOMMENDS THAT:

recognizing that the current ICAO policies for the cost recovery of security measures at airports are still adequate, States should ensure their implementation in order to foster harmonization worldwide.

RECOMMENDATION 10 - GOVERNANCE, OWNERSHIP AND CONTROL OF AIR NAVIGATION SERVICES PROVIDERS

THE CONFERENCE RECOMMENDS THAT:

- a) where States choose not to establish autonomous providers of air navigation services, they should give consideration to a clear separation of the regulatory and operational functions, with roles and powers clearly defined for each one.
- b) State should review the governance structure with regard to their ANSPs, and ensure the use of best practices of good corporate governance with regard to objectives and responsibilities, shareholders' rights and their treatments, responsibilities of the board, power and accountability of the management, relationship with interested parties, and information disclosure.

RECOMMENDATION 11 - CATEGORIZATION OF SERVICES FOR COST ALLOCATION AND CHARGING PURPOSES

THE CONFERENCE RECOMMENDS THAT:

States may consider the use of the alternative categorization of services and the corresponding zone charges, depending on their particular circumstances, for example if congested or complex airspace, in order to achieve a more cost-related charging system and an efficient use of resources.

RECOMMENDATION 13 - INCENTIVES THAT COULD APPLY TO BOTH SERVICE PROVIDERS AND USERS

THE CONFERENCE RECOMMENDS THAT:

- a) States are encouraged to introduce appropriate forms of incentives for ANSPs, within their economic oversight responsibilities, with a view to optimizing the use and delivery of air navigation services, reducing the overall cost of such services, and increasing their efficiency.
- b) States should ensure that where ANSPs have introduced incentives for users, the incentive schemes meet the principles set out in Doc 9082. The incentive schemes should be transparent and subject to periodic reviews, and the estimated benefits should offset the cost of incentives within a reasonable time-frame.

RECOMMENDATION 14 - ECONOMIC AND ORGANIZATIONAL ASPECTS RELATED TO IMPLEMENTATION OF THE GLOBAL ATM CONCEPT

THE CONFERENCE RECOMMENDS THAT:

- a) States should strive for the efficient and cost-effective implementation of the global ATM operational concept, using the GANP as the implementation planning document, through international cooperation and collaboration within the ATM community.
- b) States should consider facilitating implementation of the global ATM operational concept by adopting, where appropriate, a regional approach in order to enhance transparency, efficiency, fairness, comparability and predictability of the costs of air transport infrastructure.

RECOMMENDATION 15 - IMPLEMENTATION OF ICAO'S POLICIES ON CHARGES

THE CONFERENCE RECOMMENDS THAT:

- a) States should recognize that adherence to ICAO's policies on charges in Doc 9082, which have their principal origin in Article 15 of the Chicago Convention, promotes the efficient and cost-effective provision and operation of airports and air navigation services, as well as a sound relationship with users, in particular, with respect to transparency and the fair treatment of different categories of users.
- b) States should ensure that their airports and ANSPs adhere to ICAO's policies on charges.
- c) ...

- d) ICAO should encourage States to adopt the principles of Doc 9082 on non-discrimination, cost-relatedness, transparency and consultation with users into national legislation, regulation or policies to ensure compliance by airports and ANSPs.
- e) ICAO should encourage States to incorporate the principles of Doc 9082 on non-discrimination, cost-relatedness, transparency and consultation with users into their future air services agreements to ensure compliance by airports and ANSPs.

— END —