

ICAO/McGill pre-Assembly Symposium: Enhancing Air Transport Connectivity and Profitability

Session 7 – Taxes, Fees and Charges

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Air Navigation Charges in Europe

Pan-European approach:

Costs of air traffic management (ATM) services in Europe (infrastructure, staff and other operational costs):

→ funded through air navigation charges

Common Route Charges System:

Member States of EUROCONTROL agreed to "create a joint system for the establishment and collection of route charges and to use for this purpose the services of EUROCONTROL"

- EUROCONTROL: European Organisation for the Safety of Air Navigation (39 Member States)
- Common Route Charges System established in 1971



Air Navigation Charges in Europe

Basis:

- Article 15 Chicago Convention
- ICAO's Policies on Charges for Airports and Air Navigation Services (ICAO Doc. 9082)

Main Principles for Common Route Charges System:

- Simple
- Equitable
- Non-discriminatory between "local" and foreign users
- Cost-related: based on sound accounting and economic principles
- Cost effective joint system
- Reasonable not to discourage use of services



Common Route Charges System

Key features:

- Consultation with users
- Non-discriminatory because charges are calculated with the same rules and applied to all parties
- A single charge per flight
- Subject to economic and performance regulations (EU level)
- Route charges paid by users and not by taxpayers
- Charges finance a service which is related to the exercise of the powers of a public authority



Common Route Charges System

A few figures:

- Route Charges System created 1971: 38 participating States in 2013
- The average total billing of route charges is 7 billion Euros yearly
- In 2012, over 9.66 million flight messages (IFR flights only) were processed
- In 2012, the number of kilometers recorded in Member States' airspace, used in the calculation of route charges, was 8.97 billion kilometers
- Recovery rate: 99.7% for route charges in 2011 (medium-term recovery rate, measured on 31 December 2012)