

## **CONFERENCE ON THE ECONOMICS OF AIRPORTS AND AIR NAVIGATION SERVICES**

(Montreal, 19 - 28 June 2000)

### **Agenda Item 5.2: Elements for consideration with regard to ICAO policy**

#### **REMUNERATION OF AVIATION METEOROLOGICAL INFORMATION BY AVIATION INDUSTRY**

(Presented by the Russian Federation)

#### **INFORMATION PAPER**

##### **SUMMARY**

This paper deals with the cost remuneration practice related to aviation meteorological service in Russia on the basis of the ICAO approaches to the problem.

### **1. Organizational aspects**

1.1 Twenty-four to twenty-six of March 1999 Agreements for aviation weather services providing (WSP) were signed between Russian Federal Service for Hydro-meteorology and Environmental monitoring (ROSHYDROMET) and Federal Aviation Authority of Russia (FAS). For implementation of the Agreements were accomplished a number of actions:

- establishment of the uniform procedure WSP and remuneration for the airdrome area, air traces and routes on the Russian Federation territory;
- putting into practice WSP on the principles of agreements signed among ROSHYDROMET agencies and aviation enterprises for airdrome areas, and on the principles of agreements among enterprises and agencies authorized by FAS and ROSHYDROMET for air traces and routes;
- charging rates control for WSP, publishing of charging rates in established order and special information presentations for users; and

- meteorological information providing for the bodies of Interim Affairs Ministry of the Russian Federation in order established by the Instruction for meteorological providing of civil aviation on the basis of the Agreement including centralized remuneration of services.

The 1st centralized Agreement on the WSP on air traces and routes was signed 24 March 1999. Conclusion of this Agreement resulted in:

- implementation of state mechanism weather services incomes and expenses control;
- providing for regular and full-volume funds receiving for air traces WSP and timely financing of current activities of Aviation Meteorological Stations (AMSG);
- problem of high-priced aviation meteorological equipment acquisition solution;
- implementation of estimation of WSP cost for each AMSG as well as for ROSHYDROMET in total; and
- implementation of cost benefit calculations for ROSHYDROMET bodies and organization of their execution control.

## 2. **Economical aspects**

In spite of organizational difficulties performance of ROSHYDROMET bodies and FAS enterprises in the frame of centralized Agreement during 1999-2000 confirmed that the interaction is the most effective as technologically so as economically.

Primarily attempts were made to determine the percentages of airports and air traces WSP expenses of ROSHYDROMET bodies.

But attempts to receive the proportion of these expenses for ROSHYDROMET in total or for separate regions failed because of absence of direct dependence for increasing (decreasing) WSP costs on increasing (decreasing) of WSP volumes.

To avoid two-fold accounting of WSP expenses the decision of total expenses compensation for two sources was accepted.

All aviation meteorological organizations compile cost-sheets according to the Budget Classifier using the “expenses compensation method”, do not plan profit from their activities and affirm their cost-sheets in the ROSHYDROMET METEOAGENCY. Volumes of financing for air traces and routes WSP are determined with taking into consideration of their incomes for airports WSP.

In connection with decreasing of number of flights for airports in Northern and Eastern regions of Russia air traces and route funds are principal source of AMSG financing in these regions.

The majority of ROSHYDROMET AMSG offers air traces and routes WSP but only those are financially supported, which could not compensate expenses at the expense of airport charging rate.

According to the List of Aviation Meteorological Services and Works, Statement of Completed Services and Works is compiled and affirmed monthly on the basis of which the ROSHYDROMET

METEOAGENCY transfers funds for further distribution according to the cost-sheet authorized by the Head of ROSHYDROMET.

The cost-sheet is compiled for three principal directions:

- current AMSG maintenance (salaries with extra charges and procurement costs);
- centralized procurement costs for radio sounding; and
- assets investments (equipment and intangibles purchasing).

The centralization of means for assets investments and radio sounding is connected with high price of fixed assets. According to the technical re-equipping program on the basis of Tender Commission of ROSHYDROMET decisions purchasing of aviation meteorological equipment, automated working places for weather forecaster, sets of instruments and radio sounds are implemented. This procedure under general lack of funds permits primary providing for AMSG in which technical re-equipping is the most actual and allows to decrease expenditures at the expense of wholesale reductions.

The problem of technical and technological re-equipment is not the only problem for the ROSHYDROMET aviation meteorological organizations to deal with. At the present time, big work is carried out on the problems of retaining of aviation meteorological organizations in the ROSHYDROMET structure and restoring of those meteorological organizations, which are in the structures of aviation enterprises now.

The analysis shows that aviation enterprises do not compensate actual expenses for meteorological information in full volume, and therefore they are working under more profitable economical conditions in comparison of the ROSHYDROMET aviation meteorological organization.

**S E N D S**