

CONFERENCE ON THE ECONOMICS OF AIRPORTS AND AIR NAVIGATION SERVICES

(Montreal, 19 - 28 June 2000)

Agenda Item 2: Organizational issues

Agenda Item 3: Funding issues

ORGANISATIONAL AND FINANCIAL ASPECTS OF SWISS AIRPORTS AND SWISSCONTROL

(Presented by Switzerland)

INFORMATION PAPER

SUMMARY

This Information Paper provides a brief description of the organisation of national airports and of Swisscontrol, as well as their modes of financing.

1. Introduction

1.1 Switzerland, as a small multi-cultural country in Western Europe can avail of three inter-continental airports and an independent company providing air navigation services.

1.2 The three platforms of the respective airports are based on three different legal statutes:

- S** Bi-national airport co-owned by France and Switzerland for the Airport of Basle-Mulhouse (since 4 July 1949)
- S** Public autonomous airport for Geneva International Airport (since 1 January 1994)
- S** Mixed-economy incorporated company for Zurich Airport (since 1 April 2000)

Swisscontrol, a Swiss corporation for providing air navigation services, has been given the responsibility for the management of civil air traffic in Switzerland. Majority shareholder is the Swiss Confederation; the company is financially independent since January 1, 1996.

1.3 The development of air traffic in Switzerland has necessitated an adaption of Swiss civil aviation policy. In this context, the national airports, the regional aerodromes, the airfields, heliports and grass strips have been merged into a global system. The aeronautical infrastructure therefore takes the form of a network in which every installation is allocated specific functions and performing closely defined services. The national airports of Basel-Mulhouse, Geneva and Zurich consequently are encouraged to closely cooperate with each other and make the best use of their specific market opportunities in sharing traffic in a rational manner as part of the « Swiss airport system ».

2. Airport services

2.1 Organisational Aspects

For Geneva International Airport :

Activities managed by the airport	Activities subcontracted by the airport	Activities under responsibility of the Confederation	Activities under responsibility of the Canton of Geneva
Security Services (aviation security and emergency medical services)	Passenger & cargo handling	Air navigation services (route navigation and approach control)	Immigration
Security control	Slot allocation	Customs	Police
Apron control	Refuelling services	Meteo services	Veterinary services
Management of traffic areas	Aircraft maintenance and cleaning		
Bus transport of passengers	Catering		
Operation of parking facilities	Bars & restaurants		
General Administration	Boutiques & commerce		
VIP services	Publicity		
Airport access control services	Passenger baggage handling		
Property management	Cleaning services		
Construction planning and work control	Car rentals		
Maintenance of land and buildings			
Management of environmental issues			

For Zurich Airport :

Activities managed by the airport	Activities subcontracted by the airport	Activities under responsibility of the Confederation	Activities under responsibility of the Canton of Zurich
Construction planning and management	Passenger handling	Air navigation services (enroute and approach)	Immigration
Maintenance of land and buildings	Cargo handling	Customs	Police
Property management	Aircraft handling	Meteorological services	Veterinary services
Operation of parking facilities	Catering	Supervision of airport activities	
Management of traffic areas in coordination with ATC	Bars and restaurants		
Aircraft parking stands allocation	Commercial companies, boutiques		
Bus services	Airport services such as baggage handling		
Supervision of traffic areas	Refuelling services		
Management and follow-up of environmental issues			
Slot coordination with airlines and general aviation slot allocation			
Airport security services (staff and emergency medical services)			
VIP services			
Management of passenger terminals (project planning and management)			
General administration			
Management and planning of cargo (import)			

For Basel-Mulhouse Airport:

Activities managed by the airport	Activities subcontracted by the airport	Activities under the responsibility of the French government	Activities under joint French and Swiss government responsibilities
Security services, Anti-terrorist groups	Ground assistance (pax, cargo, tarmac)	Air navigation services (enroute and approach)	Tariff approval reglemented by guardianship
Aircraft stand allocation and passenger terminal resources	Refuelling services	Airside traffic management	Immigration services
Landside traffic management	Bars, restaurants, commercial enterprises, boutiques, car rentals	Management of electrotechnical installations for air navigation services	Customs and police
Operation of public parking facilities	Taxis and shuttle services	Meteorological services	
Property management	Management of baggage trolleys	Police and Gendarmerie services	
Maintenance of land and buildings	Cleaning	Veterinary services	
Construction work supervision	Publicity (partly)		
Passenger transport on the apron	Safety control		
General administration	Catering		
Control and follow-up of environmental issues	Bus transport (partly)		
Security Control			
Regulation of aeronautical and non- aeronautical charges			

2.2. Financial aspects***For Geneva International Airport:*****Charges setting:**

The regulation of charges is not subject to approval of the regulatory authority; however, a consultation process between the different partners and official bodies is established

Sources of financing:

Internal financing from aeronautical and non-aeronautical charges

External financing from bank loans

For Zurich Airport:

Charges setting:

The Canton of Zurich will approve airport charges until 2001. As a part of the renewal of the federal concession during 2001, the competence in charges matters will then be delegated to the new privatised entity of « Zurich Airport ».

Consultation procedures with airport users. Supervision of airport charges by FOCA.

Sources of financing:

- predominantly internally by aeronautical and non-aeronautical charges
- bank loans

For Basel-Mulhouse Airport:

Charges setting:

- consultation and approval procedures by the official Swiss and French authorities
- consultation procedures of the different partners
- approval by the Administration Council of the Airport

Sources of financing:

- internally by aeronautical and non-aeronautical charges
- externally by:
 - bank loans,
 - loans by partners
 - subsidies by local communities, French and Swiss states

3. Air navigation services

3.1 Organisational aspects

Main activities

- The airspace is divided into two regions, both of them have their own enroute control center. The centers are located in Geneva and Zurich.
- Approach control is provided at the four most important airport levels: Zurich, Geneva, Berne and Lugano, with the exception of Basel-Mulhouse airport, where air traffic control is provided by France. In the case of the three regional airports, Grenchen, St. Gallen-

Altenrhein and Les Eplatures, air traffic control has been delegated to the respective airport authorities by Swisscontrol.

- The division of airspace between civil and military is completely coordinated. A national civil-military unit is responsible for airspace coordination. This coordination is also established at directoral and technical levels.

Regulator

In the area of flight safety Swisscontrol is regulated by the Federal Office for Civil Aviation, representing the Swiss state. At the economic regulatory level Swisscontrol is considered to be a non-profit corporation providing air traffic control management. As a consequence, over- and under-recovery of the costs of providing air traffic control are redistributed / recharged to the users in future cost bases.

Other services

In line with the activities of the company, Swisscontrol also offers other services:

- Air traffic controller training; the academy, situated in Zurich, owns different simulators.
- PANS-OPS calculations: development of instrument approach and departure procedures, positioning of navigation systems, production of standard aeronautical charts.
- Simulations in accelerated time mode: optimisation of airspace structure and airspace sectorisation, air traffic flow management for airports.
- Calibration flights: Swisscontrol, in partnership with DFS of Germany and Austro Control of Austria, as an entity Flight Inspection International, specialises in the field of flight inspection of air navigation systems.

3.2 Financial aspects

Charges setting

The charges for air navigation services set by Swisscontrol, after being presented in a consultation process with the users, must be approved by the Swiss Confederation.

Sources of financing

- Self-financing with charges for air navigation services
- External financing with bank loans and loans from the Swiss Confederation