ANSConf-WP/72
7/6/00
ITEM 5.2.2

CONFERENCE ON THE ECONOMICS OF AIRPORTS AND AIR NAVIGATION SERVICES

(Montreal, 19 - 28 June 2000)

Agenda Item 5.2.2: **Air navigation services charging principles**

DEVELOPMENTS IN AIR TRAFFIC SERVICES AND IMPLICATIONS FOR COST ALLOCATION

(Presented by Albania, Armenia, Austria*, Belgium*, Bulgaria*, Croatia*, Cyprus*, Czech Republic*, Denmark*, Estonia, Finland, France*, Germany*, Greece*, Hungary*, Iceland, Ireland*, Italy*, Latvia, Lithuania, Luxembourg*, Malta*, Moldova*, Monaco*, Netherlands*, Norway*, Poland, Portugal*, Romania*, Slovak Republic*, Slovenia*, Spain*, Sweden*, Switzerland*, The former Yugoslav Republic of Macedonia*, Turkey*, Ukraine, United Kingdom*[1].)

SUMMARY

This action paper draws the Conference's attention to the evolution of the flight path of aircraft and the subsequent reorganization of ATC services and facilities. The Conference is invited to recommend that, in the planned review of the Manual on Air Navigation Services Economics (Doc 9161/3), the guidance on cost allocation between en route, approach control and aerodrome control be expanded to reflect recent developments in air navigation services organization and charging practices.

Statement

1. Chapter 4c (4.48 ff.) of Doc 9161/3, Manual on Air Navigation Services Economics defines the cost allocation of the terminal and en route cost units. Figure 4-1 differentiates between

- area (en route) control,
- approach control, and
- aerodrome control.

[1] * EUROCONTROL Member States

2. When allocating the costs, the en route control costs are, on the one hand, related to the en route charges and, on the other hand, the approach and aerodrome control costs are related to the terminal charges (4.81).

Evolution

3. The above-mentioned definition of cost allocation is orientated to the flight profile of propeller-driven planes. The flight path of this type of aircraft has clearly delimited parts: climb, en route, descent. Nowadays, the mainly operated aircraft jets are trying to fly a parabola-like path within a short and middle range.

4. The local position of the ATC facilities is orientated to this flight path. Approach positions are often situated in the tower or nearby. However, these are sometimes integrated into the control centre. The consequence is that only one centre is going to support the approach functions of several airports.

Consequences

5. Because of this evolution, the ICAO regulations regarding the description of air traffic services in Appendix 2 of Doc 9082/5 do not now always correspond to the way Air Traffic Services are provided.

6. The developments may have consequences for cost allocation since these days it is usual to combine the responsibilities for performance and costs. In the air navigation services, the responsibility for costs is just as much a part of managing a division as the responsibility for operations. This responsibility ensures that optimization and economy measures are achieved. Some providers of air navigation services orient themselves towards these processes. Managerial responsibilities for Tower and Centre might be either separated or combined.

7. The present cost allocation, in accordance with ICAO regulations, leads to additional administration costs since related air traffic control facilities are artificially distributed to different cost units. Fixed assets of control centres, for example, must be divided up between different cost units. This requires an extensive deployment of resources.

Recommendation

8. In order to adjust the responsibility of operations and costs, the Conference is invited to recommend that, in the planned review of the Manual on Air Navigation Services Economics (Doc 9161/3), the guidance on cost allocation between en route, approach control and aerodrome control be expanded to reflect recent developments in air navigation services organization and charging practices.

- END -