

## **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**

#### **COST RECOVERY OF SEARCH AND RESCUE SERVICES**

(Presented by the International Air Transport Association)

##### **SUMMARY**

This paper addresses the cost recovery of search and rescue services from aeronautical users and that more appropriate policy guidance be developed that will limit cost recovery to solely those facilities and services that are exclusively intended to serve aeronautical requirements.

### **1. Introduction**

1.1 Search and rescue facilities and equipment comprise of rescue co-ordinating centres, aircraft, including helicopters, rescue boats or vessels, mountain rescue units or other specialised units used in the provision of search and rescue services.

1.2 ICAO guidance currently prescribes that costs attributable to the provision of search and rescue services provided by any permanent *civil* establishment can be included in the cost base for air navigation services charges. Such services provided by other than civil entities, e.g. the military, is to be excluded from the cost base.

1.3 Currently, most States do not recover the cost of search and rescue services, whether provided by a civil entity or the military, in their air navigation services charges. However, a number of States have voiced their intention to do so in the future.

### **2. ICAO Guidance**

2.1 It is important to note paragraph 30 ii) of Doc 9082/5 where it is recommended that States should “refrain from imposing charges which discriminate against international civil aviation in relation to other modes of air transport”. IATA strongly supports this statement and would go further to say that charges should not discriminate against aeronautical users in relation to non-aeronautical users of SAR services.

2.2 It can be stated that the use of SAR services by aeronautical users, and particularly IFR traffic, is rather limited relative to non-aeronautical users. Most of the services required in a given year are provided by the crash, fire and rescue (CFR) services located at the airport. These costs are already allocated and recovered directly from aeronautical users.

### 3. **The IATA Position**

3.1 Considering the aspects listed above, IATA believes that were States to pursue the cost recovery of SAR services, aeronautical users will be burdened with an unfair share of search and rescue service costs. The allocation of search and rescue service costs should be limited to the costs for facilities and services intended exclusively to serve aeronautical users, thus eliminating the possibility of cross-subsidisation of all other users by aeronautical users. The costs allocated to aeronautical users should be brought more in line with the actual use and benefits derived from search and rescue services allowing aeronautical users to invest more in safety enhancements.

### 4. **Action by the Conference**

4.1 IATA requests that the conference take note of the above and recommend that:

- a) More appropriate guidance is developed for the allocation of SAR costs to aeronautical users, and that such should in any case not be based on any perceived “ability to pay”; and
- b) The costs of Search and Rescue services may be allocated to aeronautical users as far as facilities and services are exclusively intended to serve aeronautical requirements. These exclusive facilities and services should be limited to alerting services. The incremental cost of actual search and rescue missions for aeronautical users may also be allocated to aeronautical users.

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