

SPEECH
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Ladies and Gentlemen,

I am happy to speak on the 4th day of this Symposium, as I am now able to pull things together. Clearly, ANSPs play a key role in ANS performance.

You will recall that on the first day of the conference Jim Nagel of the ICAO Secretariat put the question before us – is it Policy or Technology that drives ANS performance? At the time I responded to his question that it was policy.

Over the last four days we have discussed ANSP performance and particularly yesterday it became clear that GOOD ANSP performance results from GOOD ANSP policymaking.

In my view this forum has made clear that good ANS performance results from best practices in ANS policymaking, and not from micro-managing ANSPs.

ICAO provides support and guidance to Contracting States on aviation policy issues and I believe the discussion should therefore focus on how to obtain best ANS performance results from various policy options.

Yesterday we concluded that ANSP ownership, whether state-owned, corporatised or privatised, is not the main issue. We determined the main policy issues have to do with ANSP governance, incentivising performance, customer involvement, and responsibility and accountability.

In our review of different ANS models from around the world we notice that excellent performance can be obtained from the right mix of policy instruments. Nav Canada and Airways New Zealand reported that their states had elected to empower management to be responsible and accountable to their customers. Airways New Zealand includes profit incentives with payback to airlines and the State, whereas Nav Canada does not. So, various policies produce similar results.

From Europe we heard a different – in my view, more state-interventionist – approach. Thirty-seven European States have introduced performance review as a policy, but only a very few of the 37 have addressed the governance of the ANSP, or incentivised and empowered management performance.

Europe has been much more focused on addressing the notion of “one nation/one ANSP” as its heavily fragmented geopolitical environment impacts the efficient use of airspace.

Europe is only just entering a discussion on ANSP governance and incentivised performance and one could say that Europe’s preoccupation with fragmentation – “one nation/one ANSP” - has led policymakers to focus on ANSP consolidation rather than on incentivising performance.

The USA is addressing ANS funding and governance – all states have policy issues that need to be addressed.

Differences between New Zealand and Canadian policy initiatives and European and US policy toward ANS governance and performance became very apparent yesterday. Whereas Nav Canada and Airways New Zealand stated to have no need for new global performance measurement initiatives, as their various stakeholders were generally content, a European ANSP responded saying “please tell me what I should measure and I will measure it.” It highlights the different mindsets.

To my mind, the real issue is what does all this mean for ICAO? In my humble opinion, and I recognise only too well that I am a guest and observer in this house,... to my mind, the question is what policy support and guidance should ICAO be providing to national policymakers.

I started by stating that good ANS performance results from good policymaking. And, good policymaking results from a mature and robust policymaking process. As a customer of policy, I believe policymaking is open to exactly the same performance measures as ANS provision: good governance, quality of service, efficiency and effectiveness. Policy is basically a product not dissimilar to other products.

Therefore, my recommendation is that ICAO considers first of all its internal policymaking process and benchmarks this with best in class. Our global aviation community should benefit from this.

Over the last 20 years ANS provision has seen huge changes. Separation between regulation and service provision has changed the nature of policymaking. Whereas in the past this house had access to both regulatory expertise and service provision expertise, that is no longer the case.

Perhaps the ICAO policymaking process may need to adapt to this changing environment by adopting policymaking practices that we have seen successfully adopted elsewhere in the world.

In Europe we talk of the 'Methode Barrot', named after the current vice president of the EC. This is an inclusive regulatory approach where policymakers and industry make joint recommendations for new policy initiatives. This methodology recognises that States and industry are complementary to realising the well-being of society and that one does not have all the wisdom of the other, but that only a joint effort can result in effective policies.

Other states will have other practices that are worthwhile alternatives. However, we should avoid at all cost that policymakers become isolated from the realities of day-to-day operations.

To conclude, Ladies and Gentlemen, let me say how much I value this forum as it has highlighted the real issues:

1. ANSP ownership is not the prime issue, but ANSP governance is.
2. Incentivising performance is essential, but a pure cost recovery environment does not do that. So, additional instruments are required
3. Customer involvement is essential as it creates dynamics that improve performance and lead to customer satisfaction
4. Empower ANSP management by making it responsible and accountable for its decisions and stop political interference
5. Good ANS performance results from good policymaking

Thank you.