

THIRD MEETING OF THE ALLPIRG/ADVISORY GROUP

(Montreal, 6 – 8 April 1999)

Agenda Item 3: Review of follow-up actions to the World-wide CNS/ATM Systems Implementation Conference

GNSS COST ALLOCATION

(Presented by the European Organisation for the Safety of Air Navigation (EUROCONTROL))

INFORMATION PAPER

1. At the World-wide CNS/ATM Systems Implementation Conference (Rio de Janeiro, 11 – 15 May 1998) the European States, Members of the European Civil Aviation Conference (ECAC), highlighted the key economic and financial issues involved in implementing CNS/ATM systems, and invited the Conference to recognize the need to address as a matter of urgency the issue of cost allocation amongst all users of GNSS. The Conference endorsed this view and recommended that ICAO take the necessary actions (Recommendation 3/16 a) refers).
2. In the meantime, with a view to contributing to eventual discussions at the ICAO level, the EUROCONTROL 28 Member States, which form the EUROCONTROL Route Charges System, created a Task Force on the allocation of GNSS costs. The Terms of Reference (copy attached for information) invite the Task Force to closely cooperate with ICAO in this matter, as was the case when experts selected from EUROCONTROL States contributed to work undertaken by the Air Navigation Services Economics Panel (ANSEP) (ICAO Doc 9660 refers).
3. The Task Force, which also includes representatives from user organisations and the European Commission, met twice until now and will continue its work during 1999, the objective being to prepare a final report by November. The ICAO Secretariat has also been invited to participate in future meetings of the Task Force.
4. The Task Force structured its work as follows:
 - i) Surveying possible methods for allocating GNSS costs between civil aviation and other categories of users (an initial survey identified 10 methods);
 - ii) Defining criteria for evaluating these methods (10 criteria were selected);
 - iii) Evaluating the methods identified (3 methods have been shortlisted).

The methods provisionally selected through this process are based on:

- the complexity of each category of user's requirements;
- the incremental costs incurred by the users in order to use GNSS;
- the Required Navigation Performance (RNP) index made up of a weighted basket of various criteria mainly based on the users' costs and requirements.

4. At its forthcoming meetings the Task Force will make a detailed assessment of the three possible methods selected with a view to making reasoned recommendations to the policy-making bodies of EUROCONTROL.

— — — — —

APPENDIX

TASK FORCE ON THE ALLOCATION OF GNSS COSTS TO CIVIL AVIATION USERS

TERMS OF REFERENCE

1. The Task Force shall develop and recommend:
 - a) methods for determining the share of GNSS costs attributable to civil aviation users;
 - b) methods for allocating GNSS costs attributable to civil aviation among States;
 - c) methods for further allocating GNSS costs between en route and approach/aerodrome control utilisation, if applicable.

These methods should be flexible enough to adapt to any future political decision in this area.
2. The Task Force shall comprise a limited number of members and observers on the enlarged Committee (not exceeding 10, if possible) and be chaired by Mr. B. Schuh (DFS Germany).

The Task Force can draw on external expertise (e.g. ICAO, ESA, research institutes, firms of consultants).
3. The working language of the Task Force shall be English. Secretariat services will be provided by the Agency.
4. The Task Force shall closely monitor work undertaken by ICAO in this matter.
5. The Task Force shall liaise with the European Tripartite Group (ETG) and take into account the work undertaken by the EU and in particular the definition by the High Level Group of a regulatory and organisational framework for GNSS.
6. The Task Force shall report to each enlarged Committee session on progress achieved, with the aim of submitting its final report by the end of 1999.