



ICAO

RECONNECTING THE WORLD



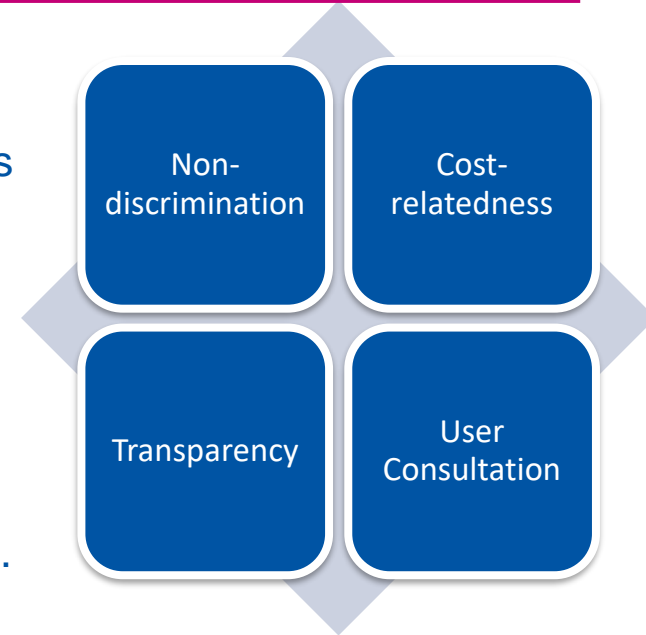
Funding Insights from ICAO's Airport and Air Navigation Services Economics Panels (AEP-ANSEP)

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Cost Recovery Should be Consistent with ICAO's Four Key Charging Principles

- **Non-discrimination:** Aircraft engaged in similar operations should be subject to comparable charges
- **Cost-relatedness** Users should not be charged for services they do not receive; one user group should not cross-subsidizing another user groups.
- **Transparency** is the ability to clearly see the connection between the charges, the costs incurred by the service provider, and the level of service being provided.
- **User Consultation** is the ability for user to engage in meaningful discussion regarding the establishment charges.





Typical Cost Recovery Strategies For Air Navigation and Airport Services

- **Air Navigation Services** – Charges are typically based on a combination of aircraft weight and distance flown in a defined area.
- **Airports** -- Tend to be more complex and charges take a variety of forms including:
 - Landing Charges (based on aircraft weight)
 - Parking and hangar charges
 - Passenger service charges
 - Security Charges
 - Fuel
 - Noise and Emission related charges
 - Complicating factors include (single-till vs. dual-till), exclusive use agreements, and majority and interest clauses



Cost Recovery and RPAS (Initial AEP/ANSEP Recommendation)

- Cost recovery strategy should follow ICAO's four key charging principles.
- UAS/RPAS operations and traditional aviation operations should only pay for costs properly allocated to them -- need to ensure that one user group is not cross-subsidizing another user group.
- May need to delineate cost recovery in terms of domestic and RPAS activities.
- In many ways, UAS/RPAS cost recovery at airports/vertiports and for ANS/Airport services may look similar to what is done for traditional aviation.
- Cost recovery schemes may, however, need to be modified based on the scale and nature of operations.