

SURVEY ON STATES' IMPLEMENTATION OF ICAO'S POLICIES ON CHARGES FOR AIRPORTS AND AIR NAVIGATION SERVICES

(ICAO Secretariat)

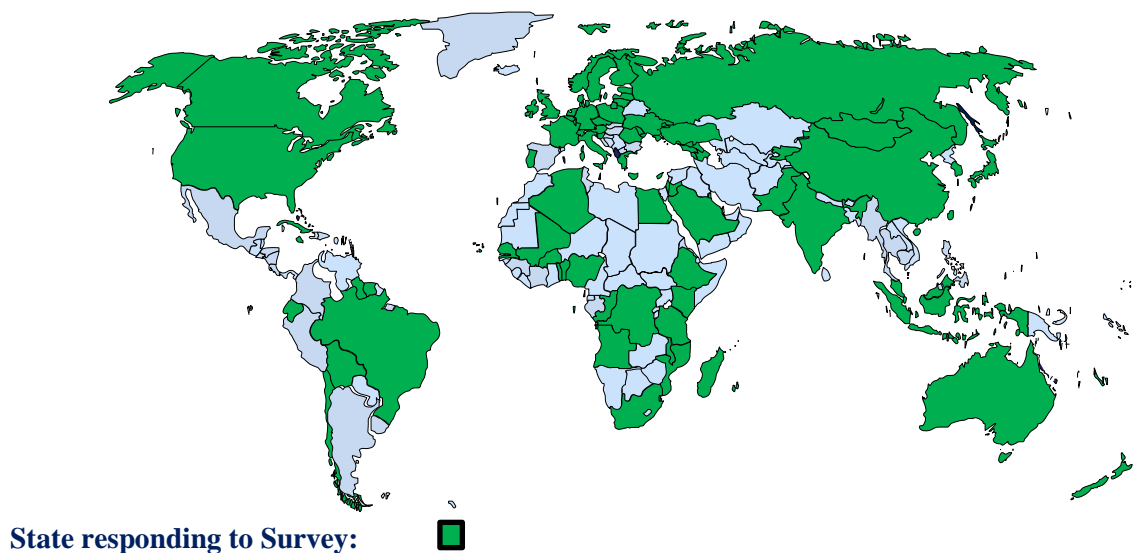
1. INTRODUCTION

1.1 As recommended by the Sixth Worldwide Air Transport Conference (ATConf/6), the ICAO Secretariat conducted a survey of States on the implementation of ICAO's policies on charges for airports and air navigation services between July and September 2015. The survey was dispatched on 17 July 2015 via State letter (Ref: EC2/89-15/50), seeking information from States/Territories on four main areas:

- a) awareness of ICAO's policies on charges by governments as well as by airports and air navigation services providers (ANSPs);
- b) national legislations relating to these charges;
- c) the level of implementation of ICAO's policies; and
- d) the forms of economic oversight States use for airports and ANSPs.

1.2 Out of 191 ICAO Member States, replies were received from 83 States/Territories, which are listed at Appendix A. While the number of respondents amount to 43.45% of ICAO membership, they also represent 84% of the total flight departures registered in 2014. This can therefore provide a solid ground for a representative overview of the situation the survey intended to assess. A summary of the survey results is presented below, with detailed State/Territory replies provided in Appendix B.

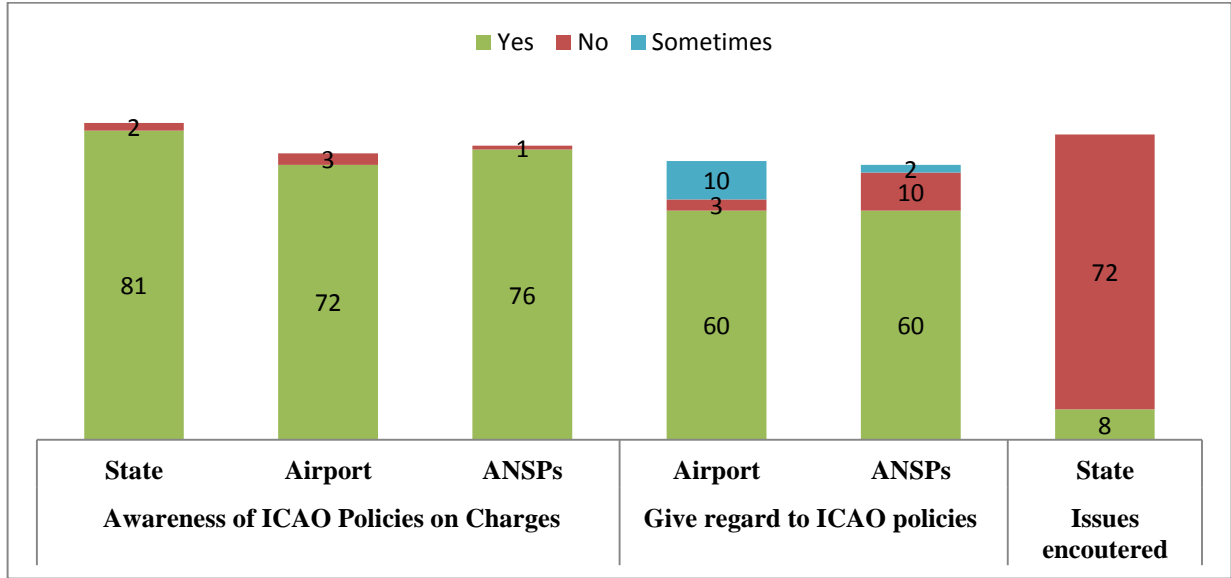
Figure 1



2. AWARENESS OF ICAO’S POLICIES ON CHARGES FOR AIRPORTS AND ANSPs

2.1 The replies show a high degree of awareness by States/Territories on the relevant ICAO policies. As shown in Figure 2, 81 of the 83 responding government authorities confirmed their awareness, with a slightly lower level by their airports and ANSPs.

Figure 2

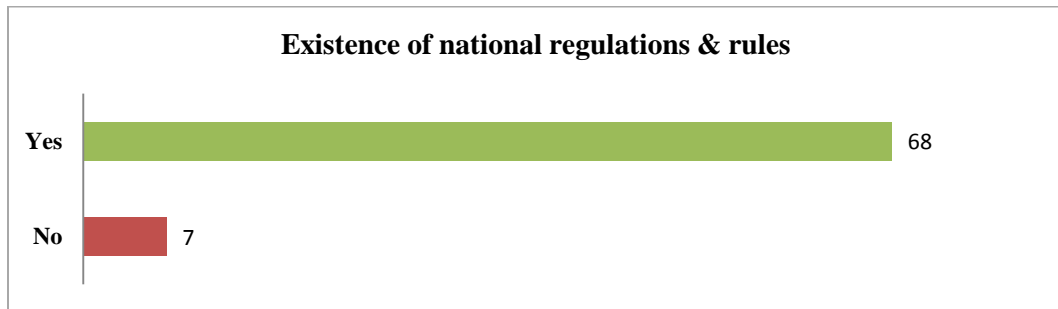


2.2 To increase the awareness of the relevant ICAO policies, some respondents suggested that ICAO should consider including air transport economics as a topic at air transport conferences and symposiums, or organize special workshops.

3. NATIONAL RULES AND REGULATIONS ON CHARGES FOR AIRPORTS AND ANSPs

3.1 As shown in Figure 3, most of the responding States/Territories (68 of 83) have national rules and regulations on charges for airports and ANSPs.

Figure 3



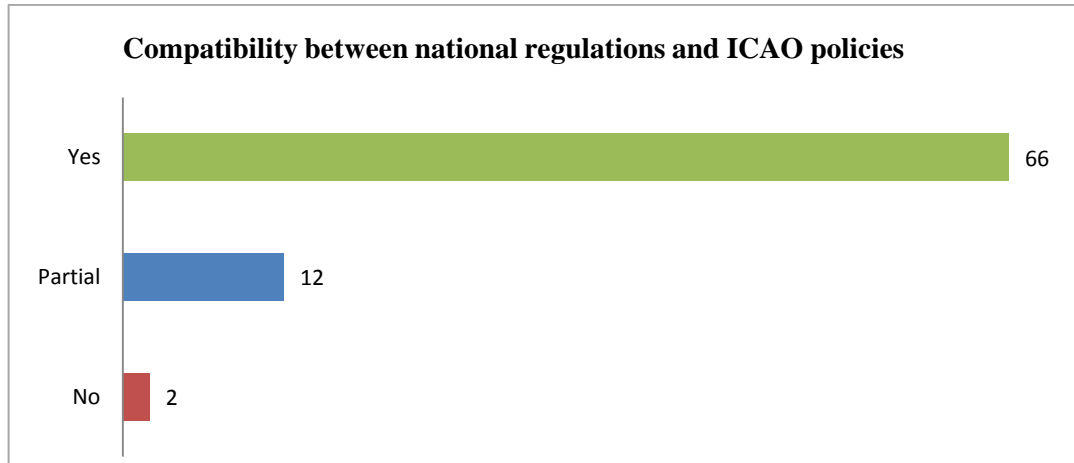
3.2 States having national regulations and rules on charges indicated that in most cases they apply their regulations to all airports and ANSPs. Some respondents advised that:

- a) they currently do not have national rules and legislations applicable to airports and ANSPs, but plan to introduce such rules and legislations in the future;

- b) Member States of the European Union (EU) apply EU regulations to international airports, while national regulations are applied to airports with less amount of traffic (less than 5 million passengers per year); and
- c) in South Africa, ANSP is a monopoly. For airports, rules and regulations are applied to a particular/categorized airport network on the basis of their market dominance.

3.3 Most respondents were affirmative to the question about their existing national regulations and rules being compatible with ICAO’s policies, as shown in Figure 4.

Figure 4



3.4 While 79 per cent of respondents considered their national rules compliant with ICAO’s policies, others advised that some of their regulations are partially compliant, mainly due to: relevant regulations under development, and problems encountered in determining the costs for some charges.

3.5 Some suggested that ICAO should organize workshops and training courses to help States adapt their national rules and regulations to changing environment, and to address issues relating to the application of the cost-relatedness principle on charges.

4. IMPLEMENTATION OF ICAO’S POLICIES ON CHARGES

4.1 Regarding the implementation of the four main principles set out in ICAO’s policies on charges, 77 per cent of respondents indicated that they have adopted these principles in general (see Figure 5). More specifically, about 80 per cent of respondents have incorporated the principles into national legislation (see Figure 6), while some 74 per cent included such principles in their air services agreements (see Figure 7).

Figure 5

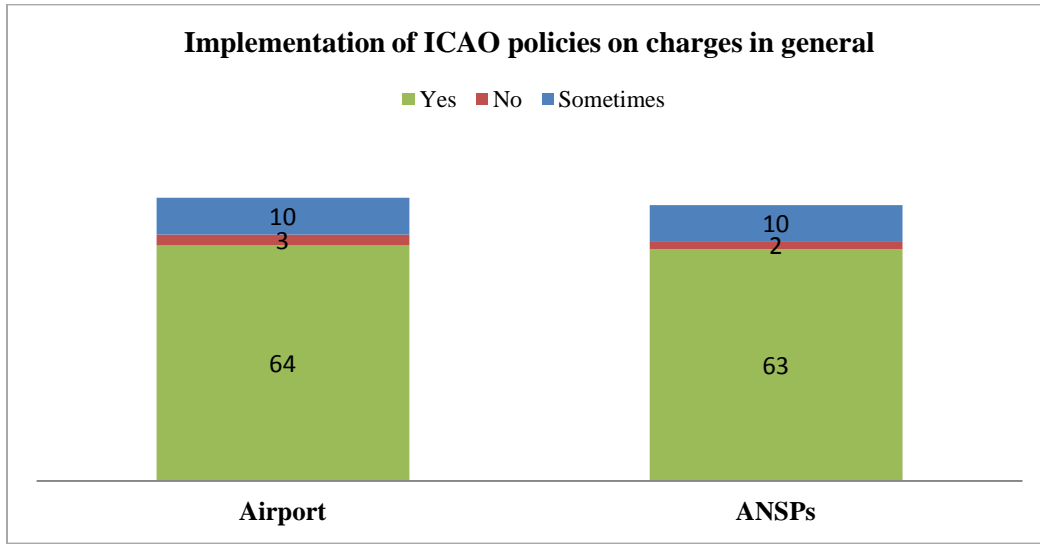


Figure 6

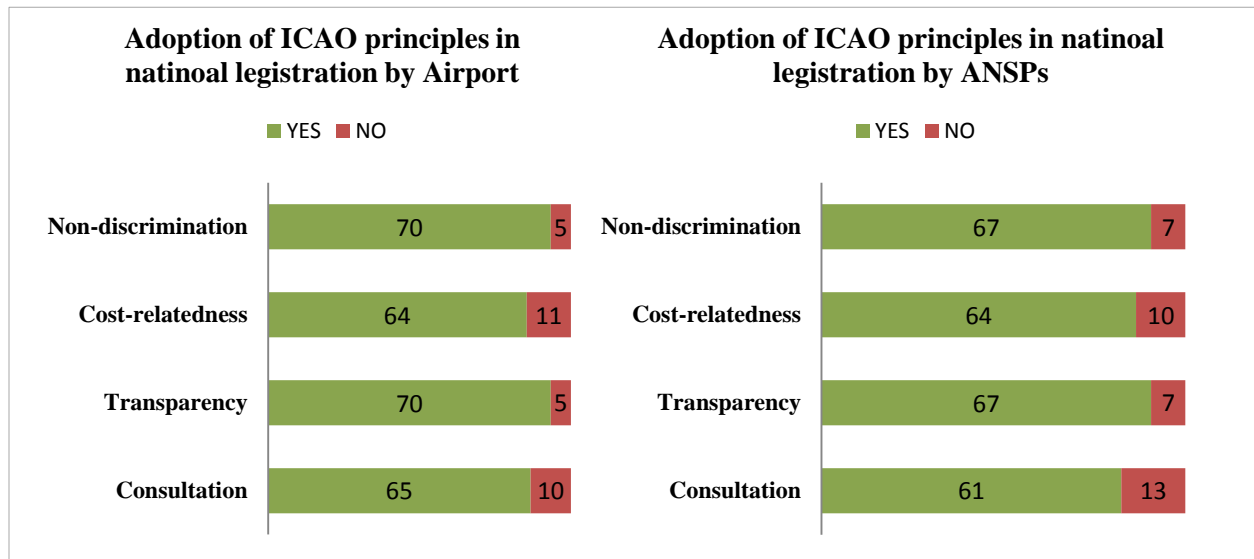
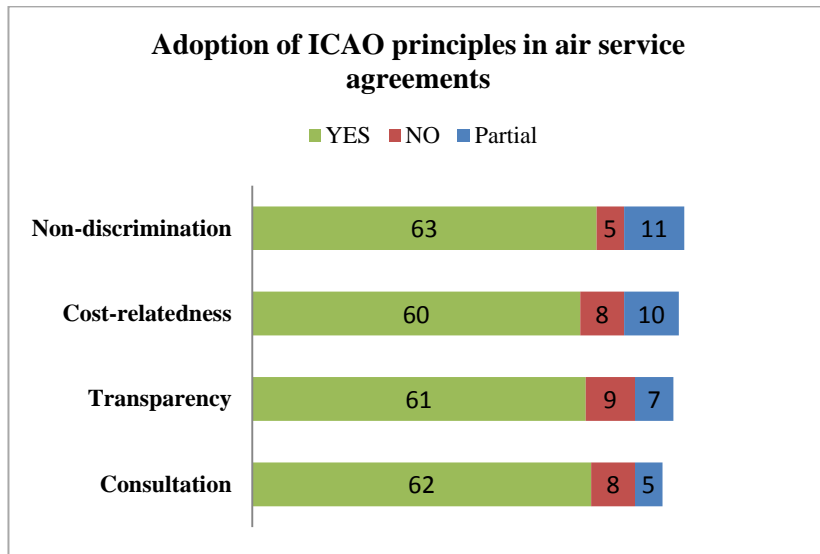


Figure 7



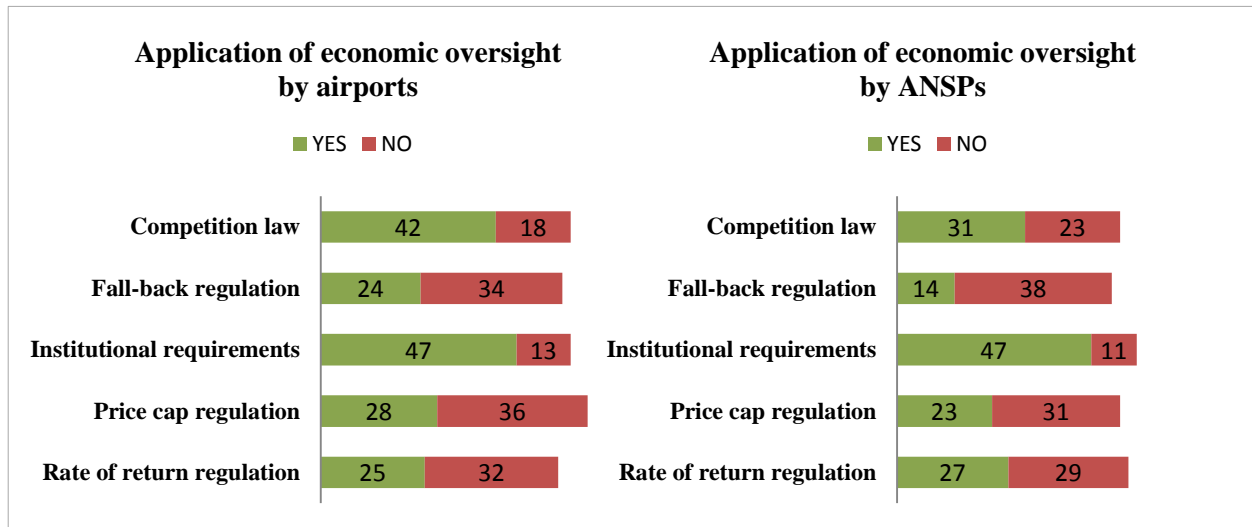
4.2 For those respondents who indicated that ICAO’s policies have not been implemented or only partially implemented, the reasons they have given include:

- a) due to existing national government policies, they could only partially adopt ICAO’s policies, for example, some States do not charge users for certain services such as air navigation services;
- b) EU Member States already applied EU regulations, such as Directive 2009/12/EC on Airport Charges; and
- c) the cost-relatedness principle is difficult to execute, as in some countries, applying this may not be able to generate adequate funding for infrastructure development, which requires huge capital investment, a challenge particularly for developing economies.

5. FORMS OF ECONOMIC OVERSIGHT

5.1 With respect to the use of the five possible forms of economic oversight listed in the *Airport Economics Manual* (Doc 9562), the feedback indicates that the “institutional requirements” approach is used more than other forms. Feedback on the specific use of each oversight forms is shown in Figure 8.

Figure 8



5.2 Other comments from respondents include:

- a) economic oversight is conducted by government entities, including non-aviation authorities;
- b) some have a hybrid model of economic oversight, e.g. “price cap” plus “rate of return”; and
- c) in some States, all of these forms of economic oversight are used, to some degree, to regulate airports. When these and other forms of oversight are used, the State ensures that it acts in accordance with its international obligations.

6. CONCLUSIONS

6.1 In general, the survey shows a high degree of awareness of ICAO’s policies on charges for airports and ANSPs. Three quarters of respondents have existent national regulations on charges that are compliant with ICAO’s policies. Most have also implemented ICAO’s policies by incorporating them into national regulations, although a bit less in their air services agreements.

6.2 ICAO’s four main principles relating to charges, i.e. non-discrimination, cost-relatedness, transparency, and consultation, have been widely adopted in practice by States. Nevertheless, some States reported that they encounter difficulty in applying the cost-relatedness principle, as its use is considered not adequate to generate sufficient funding.

6.3 While the five forms of economic oversight have been used in varying degrees by States, some feedback suggested a need to clarify or better define the relevant forms listed in Doc 9562.

6.4 Other comments and suggestions for ICAO to consider include:

- a) working on capacity development in applying these policies and principles through training, workshops and bench-marking, with special assistance to developing economies. Trainings should focus on economic oversight and economic regulation functions, as well as air transport economics;
- b) providing more details in its technical manuals, particularly in the management of the financial elements;
- c) hold regional meetings with stakeholders in order to share new development on airport and air navigation services charges; and

- d) note that airport operators face difficulties in bridging the gap of operational expenses and financing capital cost, particularly for airports where there are no sufficient flights.

Appendix A

LIST OF RESPONDENTS TO THE SURVEY

Listed below are the States/Territories that responded to the ICAO survey.

Algeria	Denmark	Kyrgyzstan	Russian Federation
Angola	Ecuador	Lithuania	Sao Tome and Principe
Armenia	Egypt	Luxembourg	Saudi Arabia
Australia	Estonia	Madagascar	Senegal
Austria	Ethiopia	Malawi	Seychelles
Azerbaijan	Fiji	Malaysia	Singapore
Benin	Finland	Maldives	Slovak Republic
Bolivia	France	Mali	Slovenia
Brazil	Georgia	Malta	South Africa
Burkina Faso	Germany	Mongolia	Suriname
Cabo Verde	Greece	Mozambique	Swaziland
Canada	Guyana	Netherlands	Sweden
Chile	India	New Zealand	Switzerland
China	Indonesia	Nigeria	TFYR of Macedonia
Hong Kong SAR, China	Ireland	Norway	Togo
Macao SAR, China	Israel	Pakistan	Turkey
Congo	Italy	Poland	Ukraine
Cuba	Japan	Portugal	United Kingdom
Cyprus	Jordan	Republic of Korea	United Rep. of Tanzania
Czech Republic	Kenya	Republic of Moldova	United States
Dem. Rep. of the Congo	Kuwait	Romania	

Appendix B

SUMMARY OF REPLIES TO THE SURVEY ON STATES' IMPLEMENTATION OF ICAO'S POLICIES ON CHARGES FOR AIRPORTS AND AIR NAVIGATION SERVICES

(State letter EC 2/89-15/20 dated 17 July 2015)

1. AWARENESS OF ICAO'S POLICIES

- 1.1 Are you aware of ICAO's policies on charges for airports and air navigation services that are contained in Doc 9082, *ICAO's Policies on Charges for Airports and Air Navigation Services*?

Answers: Yes: 81 No: 0

- 1.2 Are airports and air navigation services providers (ANSPs) in your State also aware of ICAO's policies?

Yes: 72 No: 3

Airports:

Air navigation services providers (ANSPs):

Yes: 76 No: 1

- 1.3 a) When dealing with matters relating to airport and air navigation services economics and management, do you give regard to ICAO's policies and guidance?

Airports: Yes(always): 60 No: 3

Yes(sometimes): 10

Air navigation services providers (ANSPs):

Yes(always): 63 No: 10

Yes(sometimes): 2

- b) If you answered "No" or "Yes, sometimes", please explain why:

Angola: Sometimes projects are decided to be carried out at government level.

Brazil: The national airport charge regulation does not accomplish the cost-relatedness principle. A significant number of airports operate with charges insufficient to cover their operational costs. In this case, the government makes use of cross-subsidies, which are non-adherent with ICAO's policies.

Chile: The main airports in Chile are in concessions and therefore do not follow ICAO's policies.

Democratic Republic of the Congo: The determination of costs pose some problems, as the analytical accounting of governed airlines is only installed on 5 airports out of the total 54.

Fiji: Our charges are relative to regional ANSP and airport, and are government regulated (by Commerce Commission).

Finland, Ireland, Slovenia: Apply relevant regulations of the European Union (EU).

New Zealand: Most charges are set by private operators without direct involvement from the State.

Sao Tome and Principe: There is a lack of organizational structure, but we are going to establish a structure within a period of four months.

Suriname: Airport charges and fees are regulated by the State. Recommendations are made to the State, but in the end the State decides.

- 1.4 a) Does your State encounter any issues in ensuring that “no fees, dues or other charges shall be imposed in respect solely of the right of transit over or entry into or exit from its territory of any aircraft of a Contracting State or persons or property thereon” according to Article 15 of Doc 7300, *Convention on International Civil Aviation*, signed at Chicago on 7 December 1944 and amended by the ICAO Assembly ?
- Yes: 8 No: 72

- b) If “Yes”, please specify:

Angola: There are some cases of military flight operations who decline to pay their overflight invoice charges.

Fiji: Military flights.

India: It needs to be modified suitably in view of changed environment, especially security related issues. Uniform policy by different States is required.

Suriname: We encounter untraceable airlines/aircrafts which enter Suriname airspace due to some challenges with our navigation equipment.

- 1.5 If you have any comments for this item (awareness of ICAO’s policies), please indicate them below.

Kenya: The policies are very useful when developing ANSP charge for the State.

Portugal: Portugal as a Contracting State of Chicago Convention and a Member State of the EU follows the main ICAO’s recommendations regarding the policies for airport and air navigation services, as well as the European regulations for airport charges (Directive 2009/12/EC) and air navigation charges (Regulation 391/2013), which are in line with the main ICAO’s principles.

Slovak Republic: The Slovak Republic gives regard to the ICAO Policies and Guidance in so far as required by the legislation.

Suriname: Suggest to put it as a topic at air transport conferences, symposium for countries, maybe special sessions or working model on air transport economics for countries.

2. **NATIONAL RULES AND REGULATIONS ON CHARGES FOR AIRPORTS AND ANSPS**

2.1 a) Does your State have rules and regulations governing charges for airports and air navigation services?

Airports:	Yes: 68	No: 7
Air navigation services providers (ANSPs):	Yes: 68	No: 8

b) If “Yes”, is it applied to all or some?

44 respondents: It applied to all.

Hong Kong SAR, China: The En-route Navigation Charges apply to all operators in respect of their aircraft not landing in Honk Kong but passing through the airspace under the control of the Civil Aviation Department.

Czech Republic: Directive 2009/12/EC on airport charges applies to large international airports with more than 5 million passengers per year; it has been transformed into Czech national law on Civil aviation no. 49/1997 Coll.)

Denmark: Only airports with more than 5 million passengers per year.

Ecuador: To all. The State, through the DGCA, provides the air navigation services to all airports in the country, with or without concession. Airport charges are applied to those managed by the Civil Aviation Directorate (DAC).

Finland: Act on the Airport Network and Airport charges 210/2011. Commission implementing regulations 390/2013 and 391/2013.

Germany: To 16 international airports (regarding air navigation services) and to all (regarding charges for airports).

Ireland: Currently the Aviation Regulation Act, 2001 is applied only to Dublin Airport and not to the other international airports of Shannon, Cork and Ireland West Knock. Air Navigation Service Provider charges apply to all in accordance with applicable EU Regulatory responsibilities.

Italy: Italy transposed the EU directive 12/2009/EC on airport charges, fully compliant with ICAO’s policies on airport charges. The EU directive is applied to all Italian airports. For ANSPs national regulations apply for the third terminal charging zone.

Norway: Regulation relating to charges at minor AS's airports, regulation on tax on ANS.

Poland: National regulation on airport charges cover all airports in Poland. However, there are differences with regard to supervisory procedure between airports serving more than 5 million passengers per year and those serving less. EU Directive is applied to airports with over 5 million passengers per year.

Republic of Korea: The State has the Airport Facility Management Regulation as a government rule for charging for airports.

Slovenia: It is applied to all airspace users. It is applied to all airports open for commercial international air transport.

Senegal: The regulations are being applied for Air Navigation Services as a part of a project to transform the Sector into public company.

South Africa: We have a monopoly ANSP. In terms of Airports, the rules and regulations are applied to a particular/categorized airport network on the basis of their market dominance.

Suriname: To airports with international flights.

Sweden: Airports with more than 5 million passengers fall under the Directive 2009/12/EC of the EP and of the Council of 11 March 2009 on airport charges.

Togo: All airport charges are fixed by regulations (Decrees / orders).

United States: All. Different regulations apply to US Airports and the Air Navigation service provider (FAA).

- c) In the case of economic oversight being applied only for some airports and air navigation services providers, please indicate the reasons for the regulation being partially applied.

Czech Republic: Airports that do not reach the specified number of passengers follow the fundamental principles of ICAO regulation; these smaller airports are mostly owned by private entities.

Democratic Republic of the Congo: There are some difficulties for the airport managing body and provider of air navigation services.

Denmark: These airports are the ones with significant market power.

Ecuador: The international airports of Quito and Guayaquil, both with concession, are managed by private companies who, by executive order, handle the municipalities of Quito and Guayaquil. Obviously, the franchise holders should have to conform to ICAO rules and regulations, but they still establish the charges without consulting the users.

Finland: The Act shall apply to all airports open to commercial traffic: 1) whose annual traffic is over 5 million passenger movements or which has the highest passenger movement in Finland, 2) to the airport network (other airports) that are managed by a public limited company entirely owned by the State. Regulations 330/2013 and 391/2013 are applied to en-route charges and terminal charges of EFHK only (ANS).

Germany: Splitting between major international airports and minor regional local airports (regarding ANS).

Ireland: It is considered that Dublin Airport currently has a dominant position in the market and therefore should be subject to economic regulation. In addition, only Dublin Airport comes under the scope of the EU Airport Charges Directive. ANSP: Subject to thresholds defined in EU regulatory requirements.

Netherlands: Regulation for smaller airports (less than 5 million passengers yearly) would impose higher costs and isn't necessary given the level of competition present in this market.

Norway: Regulation in Section 2.1. b) does not apply to privately owned airports.

Poland: With regard to ANSPs the partial application of regulation on economic oversight is in line with applicable EU law. The limited application concerns small ANSPs providing limited services – especially AFIS – having so called limited certificate (certificate necessary to provide air navigation services). Such ANSPs have to meet and maintain compliance only with part of requirements and only those necessary requirements are checked during the process of oversight.

Saudi Arabia: The regulations are being applied for Air Navigation Services as a part of a project to transform the Sector into public company.

South Africa: Regulations are applied on the basis of market dominance.

Suriname: Only applied to airports having international flights.

Togo : According to the Dakar Convention relating to ASECNA, Togo entrusted the provision of air navigation service to ASECNA, and it is this agency that sets the charges of services in conjunction with IATA and other stakeholders.

United Kingdom: We can price control airports that pass a market power test (Heathrow & Gatwick). Airports with over 5 million annual passengers are subject to European legislation. En-route ANSP charges are regulated subject to European legislation.

d) If “No”, please indicate the reasons below.

Macao SAR, China: ANSPs at the Macau International Airport is free of charge.

Denmark: EU regulations apply.

Guyana: There are no rules and regulations.

Mongolia: Civil Aviation Regulation on airports and air navigation services charges is under development, which will apply ICAO’s policies and recommendations.

United Republic of Tanzania: Regulations for airports and air navigation services with regard to charges are under developments. We currently use ICAO Doc 9082 and other best practices around the world.

e) Are you planning to introduce such rules and regulations?

Airports:	Yes: 11	No: 14
Air navigation services providers (ANSPs):	Yes: 13	No: 15

2.2 a) Are the rules and regulations of your State adherent to, or compatible with, ICAO’s policies on charges?

Yes: 66	No: 2
Yes: 12 <i>partially</i>	

b) If partially, please specify:

New Zealand: Only some of ICAO's charging policies are reflected in our domestic regulations.

Republic of Korea: The State implements the standards and regulations of the charges for airports by considering ICAO's charge policies.

Suriname: Regulations of the state are not completely compatible with ICAO's policies, because they are not totally cost related to the service being provided and calculated on the total cost of the operation.

United Republic of Tanzania: Regulations for airports and air navigation services with regard to charges are under development, expected to be ready for implementation in 2016.

2.3 If you have any comments for this item (national rules and regulations on charges for airports and ANSPs), please indicate them below.

Austria: ANS charges regulation is established on regional (EU) level and applies directly.

Cabo Verde: Maybe ICAO could promote workshops and courses to help States (African States) adapt their rules and regulations.

Denmark, Luxembourg: EU regulations apply.

Ethiopia: The Principle of Cost-recovery may hinder infrastructure development that requires huge capital investment which, in turn, is challenging for developing economies

Guyana: Guyana is in the process of developing rules and regulations and these will be compliant/compatible with ICAO's policies on charges.

Slovak Republic: The national rules and regulations of the Slovak Republic govern charges for airports and ANSPs in so far as required by the legislation.

South Africa: Our regulated Airports are treated as a network of Airports that fall under on Airports Company South Africa. Any other Airport outside this network is not regulated.

Suriname: We are working towards regulation on charges for airports and ANSPs.

Swaziland: As a State, we need to understand ICAO's policies and procedures on airport charges. If ICAO can assist Swaziland to develop its own charges.

3. IMPLEMENTATION OF ICAO'S POLICIES ON CHARGES

3.1 a) In general, has your State implemented ICAO's policies on charges for airports and air navigation services (Doc 9082)?

Airports:

Yes: 64 No: 3

Yes: 10 *partially*

Air navigation services providers (ANSPs): Yes: 63 No: 2
Yes: 10 *partially*

b) If partially, please specify:

Cabo Verde: We have the same company managing the airport and ANS and the focus was always on airports. But now we are starting with ANSP.

Chile: Some tariffs are below the level of charges and other are at the level.

Democratic Republic of the Congo: The state does not fully ensure economic supervision on the provider of air navigation services and manager of airports, who govern the airways (RVA).

Fiji: We adhere to the ICAO formula but conform to our government's policies on fees and charges.

Guyana: While there are no rules and regulations promulgated as yet, actions are in line with ICAO Doc 9082.

Ireland: In relation to Section 37(vii) - Security Charges, please note that the security charges at Dublin Airport are incorporated within the passenger service charge levied on departing passengers, with security functions being performed directly by DAA. Security costs are identified and explained separately in the 5 yearly process of price cap setting with the annual process of setting the passenger charge (incorporating security charge) and other airport charges requiring that overall compliance with the price cap is achieved.

Italy: For ANS, Italy responds to the EU regulations on charging and performance. The charging regulation, consistent with the Article 15 of the ICAO Chicago Convention on International Civil Aviation, applies in Italy since 2010, while starting from the 1st of January 2012, the new performance scheme within the scope of the Single European Sky II is in place. EU Regulations apply for EU route and for terminal charging zones 1 and 2. National regulations apply for the third terminal charging zone.

Luxembourg: Apply EU Directive 2009/12/EC on Airport Charges.

Mongolia: Appropriate CAR is under development based on ICAO's policies and recommendations. Economic Regulations Department is newly established and needs to train or develop its HR (e.g. ICAO Technical Assistance is essential).

New Zealand: ICAO's policies are generally applied but not always as a consequence of regulations.

Republic of Korea: The State implements the standards of the charges by considering ICAO's policies on charges.

Saudi Arabia: Charges on Approach Services not implemented.

Singapore: Does not charge users for ANS.

Suriname: We would like to work towards more cost related charges and fees, as per Assembly Resolution A38-14 (Appendix E).

Swaziland: Fees and Charges were benchmarked.

- c) If “No”, are you planning to do so in the near future?
- | | | |
|--|--------|-------|
| Airports: | Yes: 7 | No: 3 |
| Air navigation services providers (ANSPs): | Yes: 8 | No: 3 |

*Assembly Resolution A38-14 (Appendix E) “encourage[s] States to adopt **the principles of non-discrimination, cost-relatedness, transparency and consultation**, endorsed in Doc 9082, in national legislation, regulation or policies, as well as in air services agreements, to ensure compliance by airports and air navigation services providers.”*

- 3.2 a) Are the above ICAO main principles incorporated in your national legislation, regulation or policies?

	Airports	Air navigation services providers (ANSPs)
Non-discrimination	Yes:70 No: 5	Yes: 67 No: 7
Cost-relatedness	Yes: 64 No: 11	Yes: 64 No: 10
Transparency	Yes: 70 No: 5	Yes: 67 No: 7
Consultation	Yes: 65 No:10	Yes: 61 No: 13

- b) If “No”, are you planning to do so in the near future?

	Airports	Air navigation services providers (ANSPs)
Non-discrimination	Yes: 6 No: 1	Yes: 6 No: 1
Cost-relatedness	Yes: 7 No: 5	Yes: 8 No: 2
Transparency	Yes: 6 No: 1	Yes: 6 No: 1
Consultation	Yes: 8 No: 2	Yes: 10 No: 2

- 3.3 a) Are the above ICAO main principles incorporated or reflected in the air services agreements concluded by your State with other States?

Non-discrimination	Yes: 63 <i>About 86.9%</i>	No: 5
Cost-relatedness	Yes: 60 <i>About 78.5%</i>	No: 8
Transparency	Yes: 61 <i>About 81.2%</i>	No: 7
Consultation	Yes: 62 <i>About 81.1%</i>	No: 5

- b) If “No”, are you planning to do so in the near future?

Non-discrimination	Yes: 3 <i>About -%</i>	No: 4
Cost-relatedness	Yes: 4 <i>About -%</i>	No: 5
Transparency	Yes: 4 <i>About -%</i>	No: 4
Consultation	Yes: 3 <i>About -%</i>	No: 5

- 3.4 If you have any comments for this item (implementation of ICAO’s policies on charges), please indicate them below.
-

Cabo Verde: Cabo Verde has adopted a liberal policy on air services agreements and we believe that future of aviation is on liberalization.

Canada: Canada seeks to include the above principles in all ASAs.

Ecuador: Further to supranational norms, the law is established in accordance to the public policy of the current government. In Ecuador, the projects, resolutions, processes, are done according to the production model, such as the road map, taking into consideration the users' needs, and without having to do any consultations.

Ethiopia: The Principle of Cost-recovery may hinder infrastructure development that requires huge capital investment which, in turn, is challenging for developing economies

Japan: There is nothing that has been specified in the national legislation, regulation or policies to the four principles, but we are in accordance with ICAO's policies.

Kenya: The charges are developed through consultative process.

Kyrgyzstan: Tariffs and charges for airports and air navigation services are published in the AIPs of the Kyrgyzstan Republic and are available to users. The process of setting tariffs and charges provides for consultations with the State. Tariffs and charges are applied uniformly to all users of airports and air navigation services.

Mongolia: Appropriate CAR is under the development

Netherlands: The ICAO main principles are not incorporated or reflected in the air navigation services agreements concluded by the Netherlands with other States as these principles are incorporated in the applicable international regulations (Eurocontrol Treaty and EU Regulations.)

Slovak Republic: The above mentioned principles are incorporated in the national legislation, regulation and policies, as well as in ASAs of the Slovak Republic in so far as required by the legislation.

Slovenia: Regarding the incorporation of ICAO's principles in ASAS, the provisions on user charges are included. The non-discrimination and cost-relatedness clauses are included in the text of the ASA. The transparency and consultation principles are exercised through the legal framework applied.

United Kingdom: Our legislation allows airports to set charges that are not strictly cost-related, if there are other objective justifications for them.

4. FORMS OF ECONOMIC OVERSIGHT

- 4.1 With respect to the form of economic oversight being applied, please indicate which form is adopted using the list below (described in Chapter 1, Part C, of the *Airport Economics Manual*, Doc 9562 and the *Manual on Air Navigation Services Economics*, Doc 9161).

	Airports	Air navigation services providers (ANSPs)
Application of competition law	Yes: 42 No: 18	Yes: 31 No: 23
Fall-back regulation	Yes: 24 No: 34	Yes: 14 No: 38
Institutional requirements	Yes: 47 No: 13	Yes: 47 No: 11

Price cap regulation	Yes: 28 No: 36	Yes: 23 No: 31
Rate of return regulation	Yes: 25 No: 32	Yes: 27 No: 29

4.2 If you have any comments for this item (forms of economic oversight), please write them below.

Austria: ANS performance scheme, EU-law implemented.

Brazil: 1) In Brazil, services prices are defined by groups or classes of aerodromes. Each group has different prices for services and qualities. 2) Brazil is studying the possibility of applying a minimum rate of return for the coming years.

Cabo Verde: In fact, we have a hybrid model - price cap + rate of return. However we are in a concession process that will require and adjusted single till (rate of return).

Hong Kong SAR, China: Our original scheme of airport charges are set based on cost with a reasonable rate of return as agreed with the airlines after several rounds of consulting. We will seek the approval of the Chief Executive in Council and consult our stakeholders (including the airlines) for any proposed changes.

Ecuador: The institutional requirements are only applied in the Aeropuerto Ecológico de Galápagos because this is a mixed company with a franchise contract.

Estonia: For ANSPs, economic oversight is done by Ministry of Economic Affairs and Communications. The same applies to airports.

Greece: Economic oversight is not applied in the forms indicated above, but is a State responsibility governed by Greek legislation.

Guyana: The appropriate mechanism will be addressed when regulations are promulgated.

Ireland: Commission Implementing Regulation No 391/2013 laying down a common charging scheme for air navigation services.

Israel: The oversight is done by other government entities.

Jordan: ANSP is not completely separated although functionally separated.

Kenya: Kenya does not have regulation for economic oversight for air navigation and airports, since these services are currently provided by government agencies.

Kyrgyzstan: According to Article 7, para 1.1 of the Kyrgyz Republic Act on Natural and Permissible Monopolies in the Kyrgyz Republic, it is prohibited to engage in any activity not falling within the category of natural monopolies.

Luxembourg: For ANSP: EU Regulation 391/2013 (DAC), for airports: National Law (ILR).

Nigeria: Economic oversight is conducted by Nigerian Civil Aviation Authority.

Singapore: Not applicable for ANSP as the CAAS is the government agency providing ANS.

Swaziland: ANSP provided by ATNS. We believe that they comply to Doc 9562 and Doc 9161 on all the aspects highlighted above.

Togo : Provide training workshops to support States and provide them with regulations of groundwork.

Ukraine: The rate of charges for air navigation services are calculated according to the EUROCONTROL formula.

United States: To some degree all of these forms of economic oversight are used to regulate U.S. Airports. With respect to the FAA, many of these forms of oversight are directly applicable. However, the ones that are used as well as other forms of oversight ensures that FAA acts in accordance with its international obligations.

5. OTHER COMMENTS AND SUGGESTIONS

- 5.1 If you have any other comments, including suggestions for improving the implementation of ICAO's policies on charges for airports and air navigation services, please write them below. Thank you.

Brazil: Fall back regulation: In the case of airport concession contracts, the remuneration for the use of areas and operational activities to carry out air transport activities, service providers and ancillary services are freely agreed between carriers and airports, which prohibited any discriminatory and abusive practices. ANAC monitors those prices, and in the event of non-compliance, the Agency can, at any time, re-establish the regulation through price-cap, revenue cap or other method.

Burkina Faso: Provide regulations for the development of activities of national airlines. Take into account the operation of air links of 3rd and 4th freedom in the liberalization of the air transport market.

Cabo Verde: We believe that ICAO should be more interceptive on economic aspects and should help states with economic oversight. States need more training on economic aspects as we believe that sustainability is the key for safety.

Hong Kong SAR, China: It is noted that the ICAO Air Navigation Services Economics Panel (ANSEP) meeting of May 2015 has discussed the problem of air carriers defaulting payment of air navigation services charges, we look forward to knowing the process regarding the recommendations suggested by ICAO to tackle this problem.

Democratic Republic of the Congo: It is desirable to better promote ICAO's policies on charges.

Ecuador: It is always important that the Organization keep the appropriate information that could serve as a guide for its members. Globalization offers great opportunities, specially to aeronautical activities, but the benefits are still distributed unevenly and restraining sustainable development. A holistic, all-encompassing system is needed, respectful of the environment. There is such diversity of economies, each with its own problems that a system like this would entail global cohesive politics.

Ethiopia: ICAO should work on capacity development in applying these policies and principles through training, workshops and bench-marking with special assistance to developing economies. Trainings should focus on economic oversight and economic regulation functions, and air transport economics as we lack the knowledge and skill on these areas.

India: Airport operators face difficulties to bridge the gap of operational expenses and financing capital cost with particular reference to airports where there are no sufficient flights.

Kenya: Need to hold ICAO regional meetings with stakeholders in order to share new development on airport and Air Navigation Services charges.

Kuwait: Special sanctions should be imposed on unknown air operators overflying airspace without being held accountable, and there should be a law to deal with this issue.

Madagascar: ICAO should provide more details in its technical manuals, particularly in the management of the financial elements in order to provide an overview to States...

Netherlands: We are very interested in the findings of this questionnaire. Please keep us informed.

Togo: The effective implementation of the Yamoussoukro Declaration. Avoid actions of protectionism for companies that are listed as the registered state or national companies.

United States: It would be useful to better define the various forms of economic oversight such as: a) application enforcement of competition law, b) fall-back regulation ("market regulation"); c) institutional requirements ("institutionalized checks and balances"); d) price cap regulation ("incentive-based regulation"); e) rate of return regulation ("cost of service regulation").
