



WORKING PAPER

**CONFERENCE ON THE ECONOMICS OF AIRPORTS AND
AIR NAVIGATION SERVICES**

Montréal, 15 to 20 September 2008

**Agenda Item 3: Specific issues related to air navigation services economics and management
3.3: Cost allocation and charging systems**

ROLE OF AIRCRAFT WEIGHT IN CHARGING FORMULAE

(Presented by fifty-three African States¹)

SUMMARY

The AFCAC Member States, in considering the proposal presented in Working Paper 14, which discusses the rationale behind the practice of including aircraft weight in air navigation services charging formulae and reviews the relevance of the current text in *ICAO's policies on Charges for Airports and Air navigation Services* (Doc 9082), support that ICAO should undertake a study on the relevance of the application of aircraft weight by air navigation services providers worldwide with a view to indentifying and defining best practice as well as determining whether any amendment is required to Doc 9082 and/or if there is a need for additional guidance for States

Action by the Conference is in paragraph 3.

1. INTRODUCTION

1.1 African States recognise that existing en-route charging schemes based on a formulae that includes aircraft weight and distance flown represents the value of services received by users, and that the value of services received increases as aircraft payload capacity increases.

¹ Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cap Verde, Central African Republic, Chad, Comoros, Congo, Cote d'Ivoire, Democratic Republic of the Congo, Djibouti, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libyan Arab Jamahiriya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, Sudan, Swaziland, Togo, Tunisia, Uganda, United Republic of Tanzania, Zambia, Zimbabwe

1.2 This explanation clearly represents and addresses the characteristics of traffic in Africa and other regions of the world where the traffic mix is such that light and medium size aircraft constitute a large proportion of the traffic.

1.3 It is therefore important to consider the effects and implications of any change(s) in the charging formula on the viability and cost recovery capability of air navigation services providers (ANSP).

1.4 This paper highlights the need for in depth study to identify and defining the best practice that will ensure sustainability of the provision of adequate air navigation services regardless of the differences in the air traffic mix as experienced in various parts of the world.

2. DISCUSSION

2.1 While African States acknowledges the need for reviewing relevant paragraphs of Doc 9082 concerning aircraft weight as a factor for determine the level of charge, it is recommended that a review should be undertaken and changes be considered once their effect has been clearly established through a comprehensive study.

2.2 African States recognises that the outcome of the study may require the development of relevant guidance materials on the application of the ANS charge formulae to address the current challenge.

2.3 The application of aircraft weight in charging formulae helps ANSPs to distribute the cost of air navigation services between users according to the value of services that are offered which have close relationship to payload capacity.

2.4 The relationship of payload capacity and value of services is more visible in airspaces where the traffic mix is such that light and medium size aircraft constitute a greater percentage of the total traffic. The removal of the weight factor would result in much higher charges for regional operations which, using the current formula, already pay significantly more per passenger for en route charges than larger aircraft operators.

2.5 The fact that States are divided regarding the “could” versus “should” difference in paragraph 45 of Doc 9082 as stated in WP/14, amply demonstrates that the impact of rewording this paragraph will have different effects in different parts of the world.

3. ACTION BY THE CONFERENCE

3.1 The Conference is invited to consider and support the African States’ recommendation for a comprehensive study by ICAO to address the issue of aircraft weight factor in the formulae for air navigation charges.

— END —