



CEANS-WP/75
16/9/08

CONFERENCE ON THE ECONOMICS OF AIRPORTS AND AIR NAVIGATION SERVICES

Montréal, 15 to 20 September 2008

DRAFT REPORT ON AGENDA ITEM 1.3

Agenda Item 1: Issues involving interaction between States, providers and users
1.3: Consultation with users

1.3.1 Documentation

Secretariat (WP/6) sought to set guidelines to which airports and ANSPs should adhere to ensure that users are properly consulted on issues that could materially affect them, i.e. level and structure of charges, capacity development and investments. This is aimed at enhancing cooperation between service providers and users. The paper concluded that a permanent, regular consultation process should be established where provider/user cooperative arrangements are not already in place. Accordingly, an amendment of the text in Doc 9082 was proposed to incorporate the concept of a permanent, regular consultation mechanism in new paragraphs with a consolidation of the current two separate sections into one, applicable to both airports and air navigation services.

Uganda (WP/70) discussed the issue of user consultation in the context of ensuring that the consultation process does not paralyze airports and air navigation service provision and development. It also discussed the need to develop mechanisms to address passenger needs – with special emphasis on tourism.

UNWTO (WP/22) underlined the need to broaden the concept of airport users to include passengers, who should be encompassed in appropriate parts of the consultation process when practicable.

IAC (WP/53) supported WP/6, establishing balanced and mutually acceptable conditions for collaboration between service providers and users.

ACI (WP/29) considered that the permanent consultation process proposed in WP/6, would place the autonomy of the service provider at risk. Instead, any consultation process should be flexible and based on specific proposals made by service providers for aircraft operators, primarily taking into account the current and future interests of passengers and other end users. It affirmed that consultations are different from negotiations and do not require agreement between the parties. When lacking agreement, the service provider should continue to be free to implement its decision. It is essential that any appeal process be consistent with the form of economic oversight adopted in the State concerned. The paper proposed to amend Doc 9082 to specify the characteristics and purpose of the consultation process.

CANSO (WP/35) outlined its customer relations model, which was developed based on the work of its Customer Relations Working Group (CRWG), and is founded on several fundamental principles. This model is outlined in the CANSO Guide to Customer Relationship Management and serves as guidance in best practice in the establishment of a permanent regular and mutually beneficial consultation process.

IAOPA (WP/26) observed that regular and substantive consultations between users and service providers are highly desirable but not always practiced to ensure adequate information and exchange of view. The paper suggested that the text proposed for

Doc 9082 in WP/6 would be further amended in order to strengthen an appeal mechanism in cases where agreement is not possible following consultation and to extend lead times for planned changes to systems, service levels or charges.

IATA (WP/47) informed of the need to further strengthen ICAO's policies on consultation with users, noting the result of an IATA survey that users still experience a complete lack of consultation and transparency in many States. States should ensure that user consultation is mandated through economic regulation, an independent regulatory mechanism or national legislation. The paper suggested a modification of the text proposed in WP/6 for Doc 9082.

Mali (WP/41 – information paper) provided some information relevant to this item (see paragraph 1.1.1).

Republic of Korea (WP/64 – information paper) introduced its experience of successful changes of charges at Incheon International Airport through consultation with users.

1.3.2 Discussion

1.3.2.1 There was broad recognition of the importance of consultation in building a sound relationship between service providers and users, based on trust and a mutual understanding of each other's needs. The Conference expressed strong support for the general thrust of WP/6, presented by the Secretariat with the intent of strengthening ICAO's policies with respect to user consultation. In examining the draft conclusions and proposed amendments to the relevant parts of Doc 9082, the Conference also discussed some specific proposals for refining or improving the amendments.

1.3.2.2 The Secretariat's proposal to establish "a permanent, regular consultation process" gave rise to some concern, especially the use of the word "permanent" and its implications when put into practice. The Secretariat explained that the aim was to strengthen the consultation process by establishing some type of mechanism or process for this purpose. Many considered that this would be better achieved by using the phrase "clearly defined, regular consultation process," a suggestion that was accepted by the Conference. Suggestions were also made with regard to defining the frequency of "regular" consultations (for example, once a year). Considering that consultations could be affected by a wide range of factors, the Conference felt that a specific guideline on a timeframe for consultation could be better addressed by ICAO when developing guidance material in the relevant manuals rather than at the policy level.

1.3.2.3 With respect to which "users" should be consulted, there were proposals to extend consultation to passengers and others to limit this to aircraft operators. While recognizing that due consideration should be given to the interests of passengers and other end users of services, the Conference felt that this might be better addressed in the context of the public policy objectives of economic oversight, and decided that the word "users" should be retained in the context of consultation.

1.3.2.4 There was considerable discussion on whether the word "ensure" or "encourage" would best reflect the strength of a State's interest concerning consultation in the context of economic oversight. In order to foster the agreed policy objectives and the intention to remain consistent with the other recommendations under this agenda item, the Conference agreed by consensus to use the word "ensure" for relevant consultations and the proposed amendments of Doc 9082.

1.3.2.5 The Conference expressed support for suggestions to protect the confidentiality of market-sensitive data and to make the proposed text of Doc 9082 concerning “decision documents” less prescriptive. The Conference noted that the Secretariat would take into account other suggestions raised when preparing the text for the revised Doc 9082.

1.3.3 Recommendation

1.3.3.1 From the documentation and ensuing discussion on consultation with users under Agenda Item 1.3, the Conference adopted the following recommendation:

RECOMMENDATION 3 – CONSULTATION WITH USERS

THE CONFERENCE RECOMMENDS THAT:

- a) States should ensure that a clearly defined, regular consultation process is established with all users by their airports and air navigation services entities where provider/user cooperative arrangements are not already in place;
- b) States should ensure that, as part of the consultation process, users are consulted on the level and structure of charges as well as on capacity development and investments; that users’ feedback obtained during consultations is considered as far as possible before reaching a decision regarding any proposal; that the confidentiality of the market-sensitive data is properly protected; and that the relevant decision documents provide appropriate rationale for the decision; and
- c) ICAO should amend Doc 9082 to include the concept of a clearly defined, regular consultation process under new paragraphs on consultation with users, covering both airports and air navigation services.

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