ICAO

Twenty-Fourth Meeting of the AFI Planning and Implementation Regional Group (APIRG/24)
(Virtual – 2 to 4 November 2021)

Agenda Item 4: Other Air Navigation Initiatives

OVERFLIGHT (OVFC) PERMISSION PROCESSING FEES AND CHARGES

(Presented by IATA)

SUMMARY	
This working paper presents the International Air Transport Association (IATA)'s concerns relating to the proliferation of Administration Fees being charged by some States to process overflight permits in the Africa Region. Therefore, the paper requests the removal of charging for overflight authorizations and the administration fees to process overflight approvals in the Region. **Action by the Meeting as per paragraph 3**	
Strategic Objectives	**D - Economic Development**

1. INTRODUCTION

1.1 There are increased concerns pertaining to the application of administrative fees, and the mandatory use of 3rd party agents for the processing of Overflight (OVFC) Permissions. These fees have been implemented without any regulation, consultation, or due process.

1.2 In addition, the fees are being implemented contrary to the Article 15 of the Chicago conventions and ICAO recommended practices on charges principle.

1.3 Airlines have on some occasions circumnavigated airspace due to the excessive administration charges being levied by a State: increasing fuel burn, flight time, and CO2 emissions.

1.4 While some States apply OVFC permission fees on a 'no fly, no charge' principle, others apply a charge whether the flight operates or not. This is not only costly to airlines but also an administrative burden to the airlines.

1.5 There is a different interpretation and casual adherence to ICAO user charges setting policies, and a lack thereof, or weak Regulatory Frameworks on Economic Regulation in the Region.

2. DISCUSSION

2.1 The importance of continued financial and regulatory support for African airlines to enable sustained long-term recovery needs to be underpinned by financial assistance, and charges have to be kept at lower levels.

2.2 ICAO policies and principles on user charges have been established to ensure transparency and a proper role for customers in the decision-making process on infrastructure investment and charges. This partnership can be mutually beneficial while enhancing the passenger's experience and ensuring the sustainability of aviation in the Africa region.

3. ACTION BY THE MEETING

3.1 The meeting is invited to:

a) Recognize need of compliance to ICAO User Charges principles and policies concerning air navigation services charges, airport charges, taxation and fuel.
b) Address the issue of charging administration fees for Overflight permit applications by States (even through 3rd party agents), and to ensure there is no duplication of ANS charges.
c) Address the issue of establishing independent, effective and transparent economic regulatory frameworks with full autonomy and independence, to carry out effective economic regulation of the aviation industry.