



WORKING PAPER

ASSEMBLY — 39TH SESSION

EXECUTIVE COMMITTEE

Agenda Item 20: Environmental Protection – Aircraft Noise – Policy, Standardization and Implementation Support

PROPOSAL FOR ESTABLISHMENT OF A PLATFORM FOR NOISE-RELATED CHARGES

(Presented by the Republic of Korea)

EXECUTIVE SUMMARY

Amongst ICAO's policies on airport charges, noise-related charges in particular, allows the Member States to levy charges on airports and users to recover costs incurred while implementing noise alleviation or prevention measures.

Member States are currently adopting and levying Noise-related charges in varied methods. Due to the development of aircraft manufacturing capability, the correlation between the Maximum takeoff weight (MTOW) and noise became less significant, thereby the Republic of Korea (ROK) is currently amending national regulations on noise-related charges to respond with rapidly changing aviation environment.

Noise-related charges are fundamental considerations in connection with noise abatement and resident subsidization, management of airlines carriers, and introduction of low-noise aircrafts. In this regard, the ROK proposes ICAO to render a platform with respect to noise-related charges.

Action: The Assembly is invited to:

- a) note the contents of this paper; and
- b) agree on proposal in paragraphs 2.9 and 2.10.

<i>Strategic Objectives:</i>	This working paper relates to Strategic Objective E: <i>Environmental Protection</i>
<i>Financial implications:</i>	Not applicable
<i>References:</i>	DOC 9829 - <i>Guidance on the Balanced Approach to Aircraft Noise Management</i> DOC 9082 - <i>ICAO's Policies on Charges for Airports and Air Navigation Services</i> DOC 7100 - <i>Tariffs for Airports and Air Navigation Service</i>

1. INTRODUCTION

1.1 The Republic of Korea (ROK) has achieved remarkable growth in aviation industry relatively in a short period of time. According to 2014 report by the Airport Council International (ACI), the ROK has ranked 8th in total number of international passenger traffic and 4th in cargo traffic.

1.2 In particular, over the last decade, five Low Cost Carriers (LCCs) (Jeju Air, Air Busan, T-Way, Jin Air, and Eastar Jet) have emerged within the ROK's aviation market competing with major airlines carriers such as Korean Air and Asiana Airlines. As a consequence, these LCCs have taken up more than 50 per cent of domestic market share and the ROK is also witnessing increase in international airlines' traffic to several regions of Korea.

1.3 In order to respond to these rapidly changing aviation environments, ROK is contemplating to introduce amended noise-related charge regulations.

1.4 However, with each Member State adopting its own noise-related charge system and with insufficient guidelines on standard and recommendation from ICAO, the ROK is having difficulties implementing appropriate noise-related charge model to facilitate rapidly changing aviation environment.

1.5 The ROK believes that the following issue will subsequently be raised amongst Member States and as such the ROK intends to introduce domestic noise-related charge system and potential challenges.

1.6 Thus, the ROK proposes to discuss current challenges and improvements on noise-related charges system.

2. DISCUSSION

2.1 Since 1993, the ROK government has been levying noise related charges in five designated regional airports (Gimpo, Gimhae, Jeju, Ulsan, and Yeosu) with six categories levied differently in accordance with aircrafts' noise level.

2.2 The ROK's noise related charges are included in landing fees at each airport and landing fees are determined by MTOW of each aircraft. Noise related charges are calculated within 30 per cent of MTOW of each aircraft. (Note. According to statistics effective as of 2013 by BOEING, 20 per cent of 651 airports surveyed were implementing noise-related charges)

2.3 With the increase in air traffic by growth of LCCs and attracting additional international airlines, changes in ratio of noise related charges are apparent; unlike the past, where most of the aircrafts were concentrated within the ROK aircraft category range of 5 to 6.

2.3.1 With the addition of the new aircraft Chapter planned for 2017 by ICAO, it is inevitable for the ROK to amend current noise-related charges rules and regulations.

2.4 To encourage airline industries to acquire aircraft with less noise in the future and to secure required revenue for subsidy programmes to adversely affected communities in proximity of airports, the ROK is currently undergoing amendment of noise related charges rules and regulations.

2.5 The ROK grasped limitations to classify direct noise impact with current levying system which is in correlation to landing fees that are determined by MTOW of each aircraft.

2.6 Each Member State is adopting diverse levying standards on noise-related charges based on aircraft weight, landing fees, Effective Perceived Noise level in decibels (EPNdB), and mixed methods. Noise level is also categorized in diversified manner grounded on single level, ICAO Chapter, EPNdB, and others.

2.6.1 Each Member State is adopting noise-related charges with various objectives and systems.

2.7 ICAO Doc 9082 Section 4 on Noise-related Charges guidelines is deemed insufficient. “Noise-related charges should be levied only at airports experiencing noise problems and should be designed to recover no more than the costs applied to their alleviation or prevention.” With respect to the above mentioned, guideline for detailed and concrete standards is required.

2.8.1 In this regard, Member States including the ROK encounter complications in establishing policy on noise-related charges.

2.9 The ROK proposes that the Member States to share their experiences and ideas on noise related charges thereby deriving to best practices applicable and request ICAO to review the practice and ultimately reflect it as recommended practice on noise related charges in the future.

2.7 The ROK proposes ICAO to provide Member States with a “Bulletin” board, a platform, on the official ICAO webpage where Member States can share ideas and polices freely in order to come up with enhanced ICAO guidelines.

3. CONCLUSION

3.1 Through these initiatives, the ROK intends to continuously contribute to the enhancement of international standards on noise related charges and share ROK’s knowledge and experiences with Member States on noise related charges practice polices in order to come up with effective ICAO guidelines.

3.2 The ROK invites Member States who are also experiencing difficulties in regulating noise charges to support the following initiatives.