Joint ICAO/AFCAC Symposium
Kampala, 17-19 August 2009
Session 1
The Outcome of the 2008 Economic Conference

CEANS 2008 – Purpose & Goals

- Learn from experiences of commercialization/privatization

- Assess future challenges

- Bring cooperation to another level

- Achieve consensus on ways to optimize efficiency and cost-effectiveness

CEANS 2008 – Agenda

1. Issues involving interaction between States, providers and users

2. Specific issues related to airport economics and management

3. Specific issues related to air navigation services economics and management

4. Implementation of ICAO's Policies on Charges

Agenda Item 1

1. Economic oversight

2. Economic performance (and minimum reporting requirements)

3. Consultation with users

CEANS Recommendations: Economic Oversight

- Responsibility of States:
  - minimize anticompetitive risk
  - ensure non-discrimination and transparency
  - ensure investments
  - protect users
  - ensure consultation and performance management
- States to select appropriate form

CEANS Recommendations: Economic Performance

- Service providers to establish performance management systems

- Key Performance Areas (KPAs):

  – Safety

  – Quality of service

  – Productivity

  – Cost-effectiveness

CEANS Recommendations: Consultation with Users

- Clearly defined, regular consultation process with users by airports and ANSPs

- Consultations on charges as well as on infrastructure development and investments

CEANS Recommendations:
Agenda Items 2 & 3

- Application of best practices of good corporate governance

- More flexibility in setting airport charges (aggregation of cost bases)

- Return on assets

- Access to infrastructure

- International cooperation for implementation of global ATM concept

CEANS Recommendations: Agenda Item 4

- States to adhere to the polices and ensure their providers observe them

- ICAO to promote the policies, in cooperation with the industry

- Main principles (non-discrimination, cost-relatedness, transparency and consultation) included in national legislation, regulations or policies, and air services agreements

CEANS – Actions

Four types of actions by:

1. Contracting States

2. Council (Amendments to Doc 9082)

3. Secretariat (Guidance material)

4. Others

Actions: 1 (States)

State letter (30 January 2009) drawing attention to the outcome of the Conference and highlighting actions required by States:

- economic oversight
- economic performance
- consultation with users
- implementation of ICAO's policies on charges

Actions: 2 (Council)

10 recommendations concerning amendments to Doc 9082:

- economic oversight
- economic performance
- consultation
- separation of regulation and provision
- aggregation of cost bases
- differential charges

Actions: 3 (ICAO)

Revision and expansion of guidance material *:

- governance/ownership/control
- rate of return
- categorization of services
- aircraft weight
- economic aspects of global ATM concept

(* with assistance of the economics panels – AEP & ANSEP)

Actions: 4 (Other)

1) ICAO/Regional Organizations dialogue on economic performance

2) Promotion of ICAO's policies on charges, in cooperation with the industry

3) ICAO Council to take appropriate action on issues related to slot allocation and night curfews

Approval and Next Steps

➢ ICAO Council (14 November 2008) endorsed the recommendations of CEANS and approved the Eighth Edition of Doc 9082

➢ Airport Economics Panel and Air Navigation Services Economics Panel to review: 1) the two economics manuals; and 2) Doc 9082 (to improve its structure and readability)