



Agenda Item 1A: Regional situation and priorities

CHARGES FOR AIRPORT AND AIR NAVIGATION SERVICES

(Presented by IATA)

Summary	
This paper addresses the challenges faced by airlines in the Americas pertaining to the review of user charges by airports and air navigation services providers.	
Action by the meeting is at paragraph 3.	
References: - ICAO Doc 9082 – ICAO’s Policies on Charges for Airports and Air Navigation Services.	
ICAO objectives:	<i>strategic</i> <ul style="list-style-type: none">• Economic Development

1. Introduction

1.1 ICAO Doc 9082 is the main reference for the aviation industry outlining policies and recommendations for setting user charges by airports and air navigation service providers.

1.2 The four guiding principles outlined in ICAO Doc 9082 are: cost relatedness, non-discrimination, transparency, and meaningful user consultation. These principles and the requirement to establish an independent state economic supervisory body on the Air Navigation Service Economics Manual (Doc9161) and the Airport Economics Manual (Doc9562) are intended to establish fair relations and balance power between monopolistic airports/ANSPs and service users.

1.3 The incorporation of these four key charging principles into their national legislation, regulation or policies ensures compliance by airport operators and air navigation services providers.

1.4 Airports and ANSPs are expected to follow these guiding principles to develop healthy relationships with airlines and other users; however, IATA often sees cases of not following these principles in the region.

1.5 As the **RAAC/17-WP/13 IMPLEMENTATION OF ICAO DOC 9082 POLICIES** of the outcome of the ICAO Charging Principles Survey of States shows, knowledge and application of these principles have not yet been fully established at the global level and in the region.

2. Discussion

2.1 IATA and its member airlines appreciate the investments made by the States and service

providers over the last decade to improve and expand the available aviation infrastructure, allowing for the growth of the sector. However, the lack of adherence to ICAO's charging principles in accordance with Doc.9082 creates significant challenges to the airline community, summarized as follows:

- 2.1.1 Charges increases are published in AIPs without carrying out a meaningful consultation process beforehand having significant impact on airlines' financial performance as such increases have not been considered during airlines' budgeting processes.
- 2.1.2 If the application of ICAO's principle for increases to be gradual is not considered, this can also contribute to a negative financial impact on airlines.
- 2.1.3 Consultation meetings are in most cases not conducted in meaningful way with operators not being given the opportunity to contribute to discussions, have visibility over the cost base and understand the justifications for CAPEX and OPEX increases and the derived charge increases. At instances, the consultation meeting is in fact a limited information session or a mere formality to 'tick a box'.
- 2.1.4 Charges increases are not based on project costs and not aligned with operational improvements.

2.2 Airlines and IATA thank ICAO for its efforts to encourage all States to implement Assembly Resolution A41-27, by state letter (EC 2/89 – 23/2) issued on 6 January 2023 to observe ICAO's policies on charges contained in Doc 9082, and incorporate the four key charging principles of non-discrimination, cost relatedness, transparency, and consultation with users into their national legislation, regulation, or policies, to ensure compliance by airport operators and ANSPs.

2.3 Over the last years IATA conducted several workshops to promote ICAO guiding principles for user charges and would like to thank the States and service providers who supported this effort. Good examples of collaborative approach are ANAC and DECEA in Brazil, OSITRAN in Peru, and DGAC in Chile. Working together with these authorities lead to evolving the regulatory framework, creating conditions for better decision making, reduced workload for the authorities and CAPEX plans that are in line with the industry needs.

2.4 The pandemic has affected the entire aviation industry. Any attempts from airports or ANSPs to recover losses from other parts to value chain (such as airlines and their passengers) is inappropriate and an abuse of a dominant position. It should not be allowed.

2.5 Airlines and IATA kindly request ICAO to reinforce the need for compliance by States with Doc 9082 guidelines and that independent economic oversight bodies are established by each member State to regulate their monopolistic ANSP and Airports.

2.6 Carrying out effective and meaningful consultation processes are necessary to help the recovery of the industry as a whole and to bring benefits to the countries by increasing the transport of passengers and cargo.

3. **Suggested action**

3.1 The RAAC/17 Meeting is invited to:

- a. Take note of the challenges faced by the airline community in relation to user charges setting in the context of post pandemic recovery.
- b. Identify and disallow any attempt by airports and ANSPs to recover losses increasing charges.

- c. Encourage States to follow the charging policies outlined in ICAO Doc 9082.
- d. Promote States to engage with IATA for support in the form of workshops to promote the ICAO guiding principles for user charges.
