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POLICY FOR THE REGULATION OF AIRPORTS AND AIR NAVIGATION SERVICES UPDATED FOR THE 21ST CENTURY

MONTREAL, 29 June 2000 - A commercial approach to the management and operation of airports and air navigation services, coupled with specific financial and operational guidelines as well as safety and security oversight, should help governments cope effectively with airport and airspace congestion resulting from the consistent growth of air traffic worldwide.

This conclusion forms the basis of recommendations made at the Conference on the Economics of Airports and Air Navigation Services (ANSCConf 2000) convened by the International Civil Aviation Organization (ICAO) to revise and update the Organization's guidance material to its 185 Contracting States on the management and charging for such facilities. Under the *Convention on International Civil Aviation*, States are responsible for the provision of airport and air navigation services.

The Conference made a number of specific recommendations to assist States in dealing with the forecast 2.5 fold increase in total passenger traffic and the doubling of aircraft movements between 1999 and 2020:

- implement an effective oversight mechanism to deal with the monopolistic nature of airports and air navigation services, to measure performance and productivity and to ensure compliance with fair and equitable cost-recovery practices as well as other ICAO policies and principles;
- consider pre-funding (the levy of charges from passengers for future services) in specific safeguarded circumstances;
- limit charges to services that are related to civil aviation operations;
- ensure that levying of passenger service charges does not create additional queuing and delays at airports.

The Conference also recommended that ICAO develop further guidance on such matters as: fairness in the allocation of airline arrival and departure slots at airports; the advantages and disadvantages of intermingling non-aeronautical revenues (commercial concessions at airports) with aeronautical revenues (landing charges); allocating the costs of the Global Navigation Satellite Systems (GNSS) to and amongst aviation users; and recovering the costs of search and rescue operations.

Over the past ten years, the trend to a more commercial management style for airports and air navigation services has led to a marked improvement in overall management practices, has provided more incentive to be profitable and has generated increased revenues required to keep pace with the demand for investments in infrastructure, while enhancing aviation safety and security.

“The strategy is in line with the on-going globalization process, the liberalization of the world’s economies and the trend toward privatization of commercially-oriented industries and services previously managed by States,” explained Dr. Assad Kotaite, President of the Council of ICAO.

More than 600 participants from 113 Contracting States of ICAO and 22 international aviation organizations, including government officials, directors general of civil aviation authorities, airport managers, service providers and users, made this the largest ever conference on the subject.

Recommendations to modify ICAO policy guidance will be submitted to the Council of ICAO for approval. The revised guidance should be available by December 2000.

The Conference elected Mr. T. Schmidt (Germany) as Chairman of the Conference. Miss M.F. Nchapi (Lesotho) was elected First Vice-Chairman and Mr. C.A. Alvarez (Chile) Second Vice-Chairman.

All information pertaining to ANSConf 2000 can be consulted on the ICAO website: www.icao.int.

ICAO was created in 1944 to promote the safe and orderly development of civil aviation in the world. A specialized agency of the United Nations, it sets international standards and regulations necessary for the safety, security, efficiency and regularity of air transport and serves as the medium for cooperation in all fields of civil aviation among its 185 Contracting States.
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