

Central Route Charges Office

VLJ Workshop

*VLJ - Workshop
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- Air Navigation Charge Regulations are consistent with ICAO Policies (Doc. 9082):
 - Non discrimination (Article 15 of the Chicago Convention)
 - Cost-relatedness
 - Route charges and terminal air navigation charges
 - Charges taking account of the relative productive capacity of aircraft (weight factor)
 - Transparency of charges – consultation with users



● **New regulatory framework under SES**

- Service Provision Regulation N°550-2004: General Principles
- Commission Regulation N° 1794-2006 laying down a common charging scheme :
 - Harmonization of terminal charges – common formula (2010)
 - Provisions relating to route charges consistent with the EUROCONTROL Route Charges System
 - Novelties:
 - Charging zones defined irrespective of national boundaries in consistency with ATM operation
 - Incentives on airspace users through modulation of charges
 - More stringent obligations in terms of transparency and consultation with users

These novelties should equally impact Business Aviation and other segments of Aviation

● **Two main features of air navigation charge systems are particularly important for Business Aviation**

- Same unit rate at all aerodromes for terminal air navigation services
 - Germany, France, Italy, are main examples
 - Unit costs are decreasing with the size of aerodromes
 - Grouping of aerodromes allowed by the EU Regulation N° 1794/2006 (terminal charging zone)
- Weight factors of the route charge formula – current and future harmonized weight factors of the terminal charge formula (next slide).

In addition, possible cross subsidies between en route and terminal services : (partial) allocation of costs for approach services to en route users may have a positive impact on short haul flights performed in Europe.

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Route charge formula - Typical aircraft types

	Km flown 2005	SU 2005	Costs 2005	(1) Cost/km	(2) Cost/SU
Germany	925.396.968	11.108.716	803.062.089	0,87	72,3
France	1.361.906.111	16.270.405	954.865.560	0,70	58,7
United Kingdom	746.274.197	9.871.122	813.683.942	1,09	82,4
Total/Average	3.033.577.276	37.250.243	2.571.611.590	0,85	69,0

Aircraft Type	MTOW	Pax number	(1) Allocation per km € / Pax x 100km	(2) Allocation per SU € / Pax x 100km	(1)-(2)
PA28 Archer III	1,2	2	42,39	5,25	37,1
PA 32 Saratoga II TC	1,6	4	21,19	3,12	18,1
C25A Cessna CJ	5,6	6	14,13	3,85	10,3
BE20 Super King Air	5,7	7	12,11	3,33	8,8
B190	7,7	19	4,46	1,43	3,0
E120	11,5	30	2,83	1,10	1,7
SB20	22,0	50	1,70	0,92	0,8
B735	60,5	103	0,82	0,74	0,1
B752	113,4	192	0,44	0,54	-0,1
B763	181,4	269	0,32	0,49	-0,2
B744	394,6	400	0,21	0,48	-0,3

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- In the future, possible imbalance between additional costs and additional charge revenues generated by the fast growth of business aviation.

	2006	2015		2015-2006
IFR Flights - Total	9.337.456	12.949.034	3,7% per year	3.611.578
IFR Flights - Business Aviation (1)	616.081	1.040.856	6,0% per year	424.775
	6,6%	8,0%		11,8%
IFR flights - Total KM flown	7.975.394.154	11.060.148.628	3,7% per year	
IFR Flights - BA KM flown (2)	322.512.000	544.877.238	6,0% per year	
	4,0%	4,9%		
IFR flights - Total KM flown/flight	854	854		
IFR Flights - BA KM flown/flight	523	523		
	61%	61%		
IFR flights - Total SU	104.463.258	144.867.970	3,7% per year	40.404.712
IFR Flights - BA SU (3)	1.328.802	2.244.983	6,0% per year	916.181
	1,3%	1,5%		2,3%
IFR flights - Total charges @ 55€	5.745.479.190	7.967.738.341	2.222.259.151	
IFR Flights - BA charges @ 55 €	73.084.110	123.474.066	50.389.956	
			2,3%	

(1) Same definition as EUROCONTROL Study on Business Aviation in Europe
(2) EBAA would represent 1,38% of KM flown in January 2007
(3) EBAA would represent 0,59% of SU flown in January 2007

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European Organisation for the Safety of Air Navigation

