

## 12th Florence Air Forum | Budapest Edition

# ATM: How to make progress towards an economic regulator?

 @FSR\_Transport #ATM

**18 October 2019**

Venue: Hungarian Academy of Sciences, Széchenyi István tér 9, Budapest, 1051 Hungary -

Co-organisers: Transport Area of the Florence School of Regulation, RSCAS, European University Institute; DG MOVE, European Commission; and HungaroControl

### Introduction

Improving ATM performance is the main goal of the Single European Sky (SES) initiative. The EU's SES legislation has introduced a performance scheme which defines performance targets in the key performance areas of safety, environment, airspace capacity and cost-efficiency through the adoption of Union-wide performance targets and approval of binding consistent National or Functional Airspace Blocks (FAB) performance targets. It is through this scheme that monopoly air navigation service providers are regulated in Europe.

The performance scheme was first established in 2009 as part of the second SES package. The first reference period ran from 2012 to 2014. The second reference period runs from 2015 to 2019 and is governed by Commission Implementing Regulations (EU) 390/2013 and 391/2013. Rules were revised in 2019 with the adoption of Commission Implementing Regulation (EU) 2019/317, which sets out the provisions applying to the third reference period (RP3) from 2020 to 2024.

To assist the Commission and national supervisory authorities in the implementation of the performance scheme for air navigation services, the Commission first designated in 2010 the Performance Review Commission of Eurocontrol as the Performance Review Body (PRB) of the single European sky. This set up was then changed in 2016/2017. Since then, the PRB acts an independent group of experts. It is composed of 9 members assisted by a support team.

Recent main tasks of the PRB have been to monitor the performance of air navigation service providers and to provide recommendations to the Commission on the performance targets for RP3. In February 2019 the PRB [published its final recommendations](#) for the Union-wide performance targets in air navigation services for 2020-2024. These targets relate to the improvement of flight punctuality, encouragement of more efficient flight paths to reduce the environmental impact of air traffic, and the cost reduction of service provision to the benefit of airlines and passengers, while ensuring the highest safety standards. Following this recommendation, Commission Implementing Decision (EU) 2019/903 setting the Union-wide performance targets for the air traffic management network for the third reference period was adopted on 29 May 2019.

During the consultations and preparations organized ahead of RP3, it became apparent that the revision of the

rules for RP3 could be only limited in scope, focusing in particular on simplifying and clarifying the legal provisions. A wider reflection on the future of economic regulation in ATM is necessary in order to tackle key issues faced in the sector.

While RP3 preparations are underway and performance targets have already been defined for that period, this Forum therefore aims at planning the time after RP3 by exploring the possibility to improve the economic regulation and to move towards an economic regulator of ATM.

More specifically, the forum seeks to answer the following three critical questions:

- *Balance sheet of performance and charging scheme so far. What are the main weaknesses and why do we need to move to an economic regulator for ATM?*
- *Economic regulation of monopolies. What can we learn from others?*
- *How to set up an economic regulator organisationally?*

## Programme

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### 18 October

08:00 - 08:30 *Welcome coffee*

08:30 - 09:00 *Introduction to the forum*

- **Kornél Szepessy**, CEO, HungaroControl
- **Matthias Finger**, Director, FSR-Transport, EUI / Chair, MIR, EPFL
- **Christine Berg**, Head of Unit Single European Sky, DG Move, European Commission

09:00 - 10:30 **Balance sheet of performance and charging scheme so far. What are the main weaknesses and why do we need to move to an economic regulator for ATM?**

- **Regula Dettling-Ott**, PRB Chair
- **Brian Pearce**, Chief Economist, IATA
- **Kálmán Seregélyes**, Head of Controlling, HungaroControl and former PRB Member
- **Juan Montero**, Part-time Professor, FSR-Transport

*Round table discussion*

10:30 - 11:00 *Coffee Break*

11:00 - 12:30 **Economic regulation of monopolies. What can we learn from others?**

- **Alberto Pototschnig**, Director, ACER
- **Marcin Cichy**, Vice Chair, BEREC
- **Anne Yvrande-Billon**, Vice President, French Transport Regulatory Authority

*Round table discussion*

12:30 - 13:30 *Lunch break*

13:30 - 15:00 **How to get to an economic regulator organisationally?**

- **Klaus-Dieter Scheurle**, CEO of DFS and former President of the German Regulatory Authority for Telecommunications and Post
- **Andrew Charlton**, Managing Director, Aviation Advocacy
- **Anne Lambert**, Non-Executive Director at UK Civil Aviation Authority, and former PRB Member

*Round table discussion*

15:00 - 15:15 *Coffee break*

15:15 - 16:00 *Concluding session*

- **Matthias Finger**, FSR-Transport, EUI / Chair MIR, EPFL
- **Christine Berg**, Head of Unit Single European Sky, DG Move, European Commission