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Aviation Policy and Strategy
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Financing ATM: Is there a need for a change in approach?

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States' framework for ATM financing



- **Article 15 of Chicago Convention:** Basic principles in the area of charges for air navigation services
- **ICAO Doc. 9082:** ICAO's policies on charges for airport and air navigation services
- **ICAO Doc. 9161:** Manual on Air Navigation Services Economics



States' framework for ATM financing



- **(Pan-) European:** Eurocontrol system (Multilateral Agreement on Route Charges)



- **SES Framework** (Service Provision Reg. 550/2004) + Performance and Charging Scheme Reg. 2019/317



- **National frameworks** for charges (i.e. Swiss Aviation Code)



Why ATM – even as a public service – is preferably financed by charges?

- **Cost-relatedness:** Imposition of charges for air navigation services and (supporting) functions which are provided for, directly related to, or ultimately beneficial for, civil aviation.
- **Cost-recovery:** Charges based on allocation of total ANS costs incurred on behalf of users.





Why ATM – even as a public service – is preferably financed by charges?

Taxes to be paid by citizens unconditionally, hence not related to a specific purpose and without provision of any special service in return, primarily to cover States' financial requirements.



 **Would States and ultimately citizens accept a change in charging regime for ATM?**



Extraordinary times call for extraordinary measures?

- During the COVID pandemic States provided financial support to all aviation stakeholders: ANSPs, airlines, airport, maintenance firms (loans, aids, equity, temporary relief from charges etc.).
- Exceptional measures based on political decisions which are “fit for purpose” to overcome crisis situation(s).

Recent aviation industry outlook: traffic growth is about to return, normalisation of economic situation for industry: Current financial framework for ATM becomes viable again.