

19th Florence Air Forum

Financing Air Traffic Management: Is there a need for a new approach?

27 - 28 March, 2023

Sala Europa - Villa Schifanoia, Via Boccaccio 121 - Florence

Organised by Transport Area of the Florence School of Regulation (FSR-Transport), RSCAS, European University Institute in collaboration with European Commission – Directorate-General for Mobility and Transport

Introduction

Air Traffic Management (ATM) is a set of services which every State must provide for the safe and efficient operation of air traffic. Today, it is almost entirely financed by user fees according to the “user pays” principle. Until today, the “user” has always been assumed to be the airspace user, normally an airline. This system comes under pressure today: current Single European Sky (SES) regulation is built on the assumption that air traffic in Europe continuously increases. Thus, the financing of ATM would be secured by increasing revenue due to higher traffic volumes. Technological progress and efficiency gains should lead to reduced cost and lower environmental footprint of aviation while increasing safety and capacity. Two crises – the financial and banking crisis of 2008 and more recently the COVID-19 pandemic – show that the assumptions of this regulatory framework are wrong. Additionally, there is the question of who the actual “users” are. Does ATM only serve paying airlines, or are there some services which are provided in the public interest?

Turning the wheel back and promoting a full cost recovery financing model would be contrary to the logic of regulating monopolistic infrastructure providers. But it is a fact that recent events raise the question as to whether the current financing model, which is ultimately market based, is still adequate.

With the pressure to increase the efficiency of the SES for environmental reasons, one may wonder whether some baseline public financing for the critical infrastructure portion of the ATM – which could be different from country to country – could not mean a step towards a better charging scheme and therefore a step towards the leading ideas behind the SES and the European Green Deal.

In light of the above, the [19th Florence Air Forum](#) will be answering the following questions:

1. What have we learnt from COVID-19 about ATM financing? Is there a threshold below which ANSPs can be financially supported?
2. How are ATM services to actors delivering services in the general interest being financed? How are these financed in other network industries?
3. Could part of ATM be financed publically and if so under what conditions?



4. Is there a need for a change in approach?

This would lead to four sessions spread over two days, which should be preceded by an introduction about the shortcomings of current financing. In a concluding session we could design the way forward.

Programme

27 March

13:15 - 13:30 *Welcome coffee*

13:30 - 14:00 Setting the scene

Matthias Finger | FSR Transport, EUI

Christine Berg | DG MOVE, European Commission

Session A

14:00 - 15:30 What have we learnt from COVID about ATM financing? Is there a threshold below which ANSPs can be financially supported?

Alexander Holzrichter | Lufthansa Group

Chris Gadsden | easyJet

Raine Luoju | Fintraffic ANS

Jan Klas | ANS Czech Republic

Q&A and open discussion

15:30 - 15:45 *Coffee break*

Session B

15:45 - 17:15 How are ATM services to actors delivering services in the general interest being financed? How are these financed in other network industries?

Denis Bouvier | SES Performance Review Body

Patricia Nieto Valiente | ESA, Spain

Kalliopi Lykou | Hellenic Civil Aviation Authority

Juan Montero | European University Institute

Q&A and open discussion

28 March

09:00 - 09:15 *Welcome coffee*

Session C

09:15 - 10:45 Could part of ATM be financed publically and if so under what conditions?

Alex Bristol | Skyguide

Arndt Schoenemann | DFS Deutsche Flugsicherung

Achim Baumann | Airlines for Europe – A4E

Bhev Chandrasena | EUROCONTROL

Q&A and open discussion

10:45 - 11:00 *Coffee break*

Session D

11:00 - 11:45 Is there a need for a change in approach?

Eric de Vries | Dutch Ministry of Infrastructure and Water Management

Igor Pirc | Swiss Federal Office of Civil Aviation FOCA

Q&A and open discussion

11:45 - 12:00 Concluding remarks

Christine Berg | DG MOVE, European Commission

Juan Montero | European University Institute

Matthias Finger | European University Institute