

Pursuant to Articles 16 and 61 of the Administration Law ('BiH Official Gazette', No: 32/02 and 102/09), and in accordance with Article 14 of the Bosnia and Herzegovina Aviation Law ('BiH Official Gazette' No: 39/09) Director General of the Bosnia and Herzegovina Directorate of Civil Aviation hereby issues the following

RULEBOOK
laying down a common charging scheme for air navigation services
(Text with EEA relevance)

Article 1
(Subject matter and scope)

The subject of this Rulebook are the measures necessary for the development of a charging scheme for air navigation services which is consistent with the Eurocontrol Route Charges System.

Article 2
(Definitions)

(1) For the purpose of this Rulebook the definitions in Appendix I of this Rulebook, specifying the measures necessary for the development of a charging scheme for air navigation services which is consistent with the Eurocontrol Route Charges System shall apply.

(2) Exceptions from paragraph (1) of this Rulebook are terms 'Community', 'Community Law', 'Treaty establishing the European Community', 'Community airport' and 'Member State' from Appendix I of this Rulebook which shall be read in accordance with points 2 and 3 of the Appendix II to ECAA Agreement.

(3) For the purpose of this Rulebook, terms 'National Aviation Authority' and 'national competent authority' referred to in the Appendix I to this Rulebook, shall be read 'the Bosnia and Herzegovina Directorate of Civil Aviation'.

Article 3
(Appendices)

(1) Appendix I to this Rulebook forms its integral part.

(2) Appendix I under paragraph (1) of this Article is the Regulation of the European Commission of 06 December 2006 (EC) No: 1794/2006 laying down a common charging scheme for air navigation services (Text with EEA relevance).

Article 4
(Responsibility for implementation)

The Directorate of Civil Aviation of Bosnia and Herzegovina (BHDCA) shall be responsible for the implementation of this Rulebook and Appendix I which forms its integral part. BHDCA shall be responsible for the implementation of this Rulebook pursuant to the Aviation Law of Bosnia and Herzegovina (Official Gazette of BiH No: 39/09) and pursuant to provisions of this Rulebook.

Article 5
(Interpretation of obscurities)

In case of obscurities and deficiencies in interpretation of provisions of this Rulebook, the text of the Regulation of the European Commission (EC) 1794/2006 in English language, as published in the Official Journal of the European Union, shall be used.

Article 6
(Entry into force)

(1) This Rulebook shall enter into force on the eighth day following that of its publication in the 'Official Gazette of Bosnia and Herzegovina'.

No: 1-3-02-2-1328-1/10
Banja Luka, 1 September 2010

Director General
Djordje Ratkovica

APPENDIX I

COMMISSION REGULATION (EC) No 1794/2006

of 6 December 2006

laying down a common charging scheme for air navigation services

(Text with EEA relevance)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No 550/2004 of the European Parliament and of the Council of 10 March 2004 on the provision of air navigation services in the single European sky (the service provision Regulation) ⁽¹⁾, and in particular Article 15(4) thereof,

Having regard to Regulation (EC) No 549/2004 of the European Parliament and of the Council of 10 March 2004 laying down the framework for the creation of the single European sky (the framework Regulation) ⁽²⁾, and in particular Article 8(2) thereof,

Whereas:

- (1) The Commission is required to establish a common charging scheme for air navigation services throughout the Community. A Regulation with direct application is the most suitable instrument for this purpose in order to guarantee uniform application of the common charging scheme in the single European sky.
- (2) Eurocontrol has been mandated in accordance with Article 8(1) of the framework Regulation to assist the Commission in the development of implementing rules on a common charging scheme for air navigation services. This Regulation is based on the resulting mandate report of 29 October 2004.
- (3) The development of a common charging scheme for air navigation services provided during all phases of flight is of the utmost importance for the implementation of the single European sky. The system should contribute to the achievement of greater transparency with respect to the determination, imposition and enforcement of charges to airspace users. The system should also encourage the safe, efficient and effective provision of air navigation services to the users of air navigation services that finance the system and stimulate integrated service provision.
- (4) In accordance with the overall objective of improving the cost efficiency of air navigation services, the charging scheme should promote the enhancement of cost and operational efficiencies.
- (5) In order to provide access for passengers to the air transport network and, in particular, to small and medium sized airports as well as to larger airports at an acceptable cost, Member States should be able to apply the same unit rate for terminal services charges at all airports served by the same air traffic service provider, or in several groups of such airports, as the case may be, in order to cover the total costs of terminal services.
- (6) The common charging scheme should be consistent with Article 15 of the 1944 ICAO Chicago Convention on International Civil Aviation.
- (7) Since the majority of Member States are parties to the Eurocontrol Multilateral Agreement for route charges of 12 February 1981 and the Community has signed the protocol of accession to the Eurocontrol revised Convention, the rules developed in this Regulation should be consistent with the Eurocontrol Route Charges System.
- (8) The charging scheme should allow the optimum use of airspace, taking into account air traffic flows, in particular within functional airspace blocks as established in accordance with Article 5 of Regulation (EC) No 551/2004 of the European Parliament and of the Council of 10 March 2004 on the organisation and use of the airspace in the single European sky (the airspace Regulation) ⁽³⁾.
- (9) According to the Statement attached to the airspace Regulation ⁽⁴⁾, the Commission will draft a report by 2008 on experience in the creation of functional airspace blocks. At that time, the Commission will assess the difficulties that may arise from maintaining separate unit rates within a functional airspace block.
- (10) It is necessary to establish requirements for complete and transparent information on the cost base to be made available in due time to airspace users' representatives and the competent authorities.
- (11) The level of charges imposed in particular on light aircraft should not discourage the use of facilities and services necessary for safety or the introduction of new techniques and procedures.

⁽¹⁾ OJ L 96, 31.3.2004, p. 10.

⁽²⁾ OJ L 96, 31.3.2004, p. 1.

⁽³⁾ OJ L 96, 31.3.2004, p. 20.

⁽⁴⁾ OJ L 96, 31.3.2004, p. 25.

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- (12) The charging formula for terminal air navigation services should reflect the different nature of those services as compared to en route air navigation services.
 - (13) Member States should be able to set their unit rates collectively, in particular when charging zones extend across the airspace of more than one Member State or when they are parties to a joint route charges system.
 - (14) In order to improve the efficiency of the charging scheme and to reduce the administrative and accounting workload, Member States should be able to collect en route charges collectively within a joint route charges system through a single charge per flight.
 - (15) It is important to reinforce the legal means necessary to ensure the prompt and full payment of air navigation charges by users of air navigation services.
 - (16) Charges to be imposed on airspace users should be established and applied in a fair and transparent manner, after consultation of users. Such charges should be reviewed on a regular basis.
 - (17) The measures provided for in this Regulation are in accordance with the opinion of the Single Sky Committee,

HAS ADOPTED THIS REGULATION:

CHAPTER I

GENERAL PROVISIONS

Article 1

Subject matter and scope

1. This Regulation lays down the necessary measures for the development of a charging scheme for air navigation services which is consistent with the Eurocontrol Route Charges System.
2. This Regulation shall apply to air navigation services provided by air traffic service providers designated in accordance with Article 8 of Regulation (EC) No 550/2004 and by providers of meteorological services, if designated in accordance with Article 9(1) of that Regulation, for general air traffic within the ICAO EUR and AFI regions where Member States are responsible for the provision of air navigation services.
3. Member States may apply this Regulation to air navigation services provided in airspace under their responsibility within other ICAO regions, on condition that they inform the Commission and the other Member States thereof.

4. Member States may apply this Regulation to providers of air navigation services which have received permission to provide air navigation services without certification, in accordance with Article 7(5) of the service provision Regulation.

5. Member States may decide not to apply this Regulation to air navigation services provided at airports with less than 50 000 commercial air transport movements per year, regardless of the maximum take-off mass and the number of passenger seats, movements being counted as the sum of take-offs and landings and calculated as an average over the previous three years.

Member States shall inform the Commission thereof. The Commission will publish periodically an updated list of exempted airports.

6. Without prejudice to the application of the principles referred to in Articles 14 and 15 of the service provision Regulation, Member States may decide not to calculate terminal charges as stipulated in Article 11 of this Regulation and not to set terminal unit rates as referred to in Article 13 of this Regulation in respect of air navigation services provided at aerodromes with less than 150 000 commercial air transport movements per year, regardless of the maximum take-off mass and the number of passenger seats, movements being counted as the sum of take-offs and landings and calculated as an average over the previous three years.

Before taking that decision, Member States shall carry out an assessment of the extent to which the conditions laid down in Annex I including consultation with airspace users' representatives are met.

The final assessment as to whether the conditions are met and the decision of the Member State shall be published and communicated to the Commission, giving full reasoning for the Member State's conclusions, including the outcome of the consultation with users.

Article 2

Definitions

For the purpose of this Regulation, the definitions in Article 2 of the framework Regulation shall apply.

In addition the following definitions shall apply:

- (a) 'user of air navigation services' means the operator of the aircraft at the time when the flight was performed or, if the identity of the operator is not known, the owner of the aircraft, unless he proves that another person was the operator at that time;

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- (b) 'airspace users' representative' means any legal person or entity representing the interests of one or several categories of users of air navigation services;
- (c) 'IFR' means Instrument Flight Rules, as defined in Annex 2 of the 1944 Chicago Convention on International Civil Aviation (Tenth Edition — July 2005);
- (d) 'VFR' means Visual Flight Rules, as defined in Annex 2 of the 1944 Chicago Convention on International Civil Aviation (Tenth Edition — July 2005);
- (e) 'en route charging zone' means a volume of airspace for which a single cost base and a single unit rate are established;
- (f) 'terminal charging zone' means an airport or a group of airports for which a single cost base and a single unit rate are established;
- (g) 'commercial air transport' means any aircraft operation involving the transport of passengers, cargo or mail for remuneration or hire.

Article 3

Principles of the charging scheme

1. The charging scheme shall reflect the costs incurred either directly or indirectly in the provision of air navigation services.
2. The costs of en route services shall be financed by means of en route charges imposed on the users of air navigation services.
3. The costs of terminal services shall be financed by means of terminal charges imposed on the users of air navigation services and/or other revenues, including cross-subsidies in accordance with Community law.
4. Paragraphs 2 and 3 shall be without prejudice to the financing of exemptions of certain users of air navigation services through other sources of funding in accordance with Article 9.
5. The charging scheme shall provide transparency and consultation on the cost bases and on the allocation of the costs among different services.

Article 4

Establishment of charging zones

1. Member States shall establish charging zones in the airspace falling under their responsibility where air navigation services are provided to airspace users.

2. The charging zones shall be defined in a manner consistent with air traffic control operations and services, after consultation of airspace users' representatives.

3. An en route charging zone shall extend from the ground up to, and including, upper airspace without prejudice to the possibility for a Member State to establish a specific zone for a complex terminal area after consultation with airspace users' representatives.

4. If charging zones extend across the airspace of more than one Member State, the Member States concerned shall make the appropriate arrangements to ensure consistency and uniformity in the application of this Regulation to the airspace concerned. They shall notify the Commission and Eurocontrol thereof.

CHAPTER II

THE COSTS OF AIR NAVIGATION SERVICE PROVISION

Article 5

Eligible services, facilities and activities

1. Air navigation service providers referred to in Article 1(2) and (4) shall establish the costs incurred in the provision of air navigation services in relation to the facilities and services provided for and implemented under the ICAO Regional Air Navigation Plan, European Region, in the charging zones under their responsibility.

Those costs shall include administrative overheads, training, studies, tests and trials as well as research and development allocated to these services.

2. Member States may establish the following costs when they are incurred in relation with the provision of air navigation services:

- (a) the costs incurred by the relevant national authorities;
- (b) the costs incurred by the recognised organisations, as referred to in Article 3 of the service provision Regulation;
- (c) the costs stemming from international agreements.

3. Without prejudice to other sources of funding, and with a view to a high level of safety, cost efficiency and service provision, the charges may be used to provide funding for projects designed to assist specific categories of airspace users and/or air navigation service providers in order to improve collective air navigation infrastructures, the provision of air navigation services and the use of airspace in accordance with Community law.

Article 6

Calculation of costs

1. The costs of eligible services, facilities and activities within the meaning of Article 5 shall be established in such a manner as to be consistent with the accounts referred to in Article 12 of the service provision Regulation for the period from 1 January to 31 December. However, the non-recurring effects resulting from the introduction of International Accounting Standards may be spread over a period not exceeding 15 years.

2. The costs referred to in paragraph 1 shall be broken down into staff costs, other operating costs, depreciation costs, cost of capital and exceptional items including non-recoverable taxes and custom duties paid, and all other related costs.

Staff costs shall include gross remuneration, payments for overtime, employers' contributions to social security schemes as well as pension costs and other benefits.

Other operating costs shall include costs incurred through the purchase of goods and services used to provide air navigation services, in particular outsourced services such as communication, external staff such as consultants, material, energy, utilities, rental of buildings, equipment and facilities, maintenance, insurance costs and travel expenses. Where an air traffic service provider purchases other air navigation services, the service provider shall include the actual expenditure for those services in its other operating costs.

Depreciation costs shall relate to the total fixed assets in operation for air navigation services purposes. Fixed assets shall be depreciated, in accordance with their expected operating life, using the straight-line method applied to the historic costs of the assets being depreciated. When the assets belong to an air navigation service provider which is subject to an incentive scheme as referred to in Article 12(2), current cost accounting may be applied instead of historic cost accounting for the calculation of depreciation. The method shall remain constant during the duration of the depreciation.

Cost of capital shall be equal to the product of:

- (a) the sum of the average net book value of fixed assets used by the air navigation service provider in operation or under construction and of the average value of the net current assets that are required for the provision of air navigation services; and
- (b) the weighted average of the interest rate on debts and of the return on equity.

Exceptional items shall be non-recurring costs in relation to the provision of air navigation services that have occurred in the year.

3. For the purposes of paragraph 2, fifth subparagraph, the weight factors shall be based on the proportion of the financing through either debt or equity. The interest rate on debts shall be equal to the average interest rate on debts of the air navigation service provider. The return on equity shall take into account the financial risk of the air navigation service provider taking the national bond rate as a guide. When the air navigation service provider is subject to an incentive scheme as referred to in Article 12(2), an additional premium may be added to ensure adequate consideration of the specific financial risk assumed by this provider.

When the assets do not belong to the air navigation service provider, but are included in the calculation of the cost of capital, Member States shall ensure that the costs of these assets are not recovered twice.

Article 7

Allocation of costs

1. The costs of eligible services, facilities and activities within the meaning of Article 5 shall be allocated in a transparent way to the charging zones in respect of which they are actually incurred.

Where costs are incurred across different charging zones, they shall be allocated in a proportional way on the basis of a transparent methodology as required in Article 8.

2. The cost of terminal services shall relate to the following services:

- (a) aerodrome control services, aerodrome flight information services including air traffic advisory services, and alerting services;
- (b) air traffic services related to the approach and departure of aircraft within a certain distance of an airport on the basis of operational requirements;
- (c) an appropriate allocation of all other air navigation services components, reflecting a proportionate attribution between en route and terminal services.

3. The cost of en route services shall relate to the costs referred to in paragraph 1 to the exclusion of the costs referred to in paragraph 2.

4. If exemptions are granted to VFR flights in accordance with Article 9, the air navigation service provider shall identify the costs of air navigation services provided to VFR flights separately from the costs provided to IFR flights. These costs may be established through a marginalcost methodology taking into account the benefits to IFR flights stemming from the services granted to VFR flights.

*Article 8***Transparency of the cost base**

1. Without prejudice to Article 18 of the service provision Regulation, Member States and/or air navigation service providers shall organise an exchange of information on cost bases, planned investments and expected traffic with airspace users' representatives if the latter so request. Subsequently, they shall make their respective costs established in accordance with Article 5 available in a transparent manner to airspace users' representatives, the Commission and, where applicable Euro-control at least on an annual basis.

2. The information referred to in paragraph 1 shall be based on the reporting tables and detailed rules set out in Annex II or, where a Member State has taken the decision referred to in Article 1(6), or has indicated to the Commission that it is considering taking such a decision, in Annex III part 1.

CHAPTER III

THE FINANCING OF AIR NAVIGATION SERVICE PROVISION THROUGH AIR NAVIGATION CHARGES*Article 9***Exemptions from air navigation charges**

1. Member States shall exempt from en route charges:

- (a) flights performed by aircraft of which the maximum take-off weight authorised is less than two metric tons;
- (b) mixed VFR/IFR flights in the charging zones where they are performed exclusively under VFR and where a charge is not levied for VFR flights;
- (c) flights performed exclusively for the transport, on official mission, of the reigning Monarch and his immediate family, Heads of State, Heads of Government, and Government Ministers; in all cases, this must be substantiated by the appropriate status indicator on the flight plan;
- (d) search and rescue flights authorised by the appropriate competent body.

2. Member States may exempt from en route charges:

- (a) military flights performed by military aircraft of any country;
- (b) training flights performed exclusively for the purpose of obtaining a licence, or a rating in the case of cockpit

flight crew, where this is substantiated by an appropriate remark on the flight plan; flights must be performed solely within the airspace of the Member State concerned; flights must not serve for the transport of passengers and/or cargo, nor for positioning or ferrying of the aircraft;

- (c) flights performed exclusively for the purpose of checking or testing equipment used or intended to be used as ground aids to air navigation, excluding positioning flights by the aircraft concerned;
- (d) flights terminating at the airport from which the aircraft has taken off and during which no intermediate landing has been made;
- (e) VFR flights;
- (f) humanitarian flights authorised by the appropriate competent body;
- (g) customs and police flights.

3. Member States may exempt from terminal charges the flights referred to in paragraph 1 and 2.

4. The costs incurred for exempted flights shall not be taken into account for the calculation of the unit rates.

These costs shall be composed of:

- (a) the costs of exempted VFR flights as identified in Article 7(4); and
- (b) the costs of exempted IFR flights, which shall be calculated as the product of the costs incurred for IFR flights and the proportion of the number of exempted service units and the total number of service units; the costs incurred for IFR flights shall be equal to the total costs less the costs of VFR flights.

Member States shall ensure that air navigation service providers are reimbursed for the services they provide to exempted flights.

*Article 10***Calculation of en route charges**

1. The en route charge for a specific flight in a specific en route charging zone shall be equal to the product of the unit rate established for this en route charging zone and the en route service units for this flight.

2. Without prejudice to the implementation by a Member State of an incentive scheme with regard to air navigation service providers in accordance with Article 12(2), the unit rate in the en route charging zone shall be calculated by dividing the forecast number of chargeable en route service units for the relevant year into the forecast costs for air navigation services. The forecast costs shall include the balance resulting from over or under recovery of previous years.

3. The en route service units shall be calculated in accordance with Annex IV.

Article 11

Calculation of terminal charges

1. Without prejudice to the possibility under Article 3 of financing terminal air navigation services through other sources of funding, the terminal charge for a specific flight in a specific terminal charging zone shall be equal to the product of the unit rate established for this terminal charging zone and the terminal service units for this flight.

2. Without prejudice to the implementation by a Member State of an incentive scheme with regard to air navigation service providers in accordance with Article 12(2), the unit rate in the terminal charging zone shall be calculated by dividing the forecast number of chargeable terminal service units for the relevant year into the forecast costs for air navigation services. The forecast costs shall include the balance resulting from over or under recovery of previous years.

3. The terminal service units shall be calculated in accordance with Annex V.

Article 12

Incentive schemes

1. Member States may establish or approve incentive schemes consisting of financial advantages or disadvantages applied on a non-discriminatory and transparent basis to support improvements in the provision of air navigation services resulting in a different calculation of charges as set out in paragraphs 2 and 3. These incentives may apply to air navigation service providers and/or airspace users.

2. When a Member State decides to apply an incentive scheme on air navigation service providers, it shall, following the consultation referred to in Article 15, set in advance the conditions for determining the maximum level of the unit rate or of the revenue for each year over a period not exceeding five years. These conditions shall be set with reference to the projected level of costs (including the cost of capital) over the period and may also stipulate financial modulations (either above or below the expected costs) based on particular aspects of the air navigation service providers' performance which may include efficiency, quality of service, the

performance of particular projects, milestones or competencies or a level of cooperation with other air navigation service providers in view of taking into account network effects.

3. When a Member State decides to apply an incentive scheme, including night-time modulations, in respect of users of air navigation services, it shall, following the consultation referred to in Article 15, modulate charges incurred by them in order to reflect efforts made by these users to optimise the use of air navigation services, to reduce the overall costs of these services and to increase their efficiency, in particular by decreasing charges according to airborne equipment that increases capacity or to offsetting the inconvenience of choosing less congested routings.

The incentive scheme shall be limited in time, scope and amount. The estimated savings generated by the operational efficiency improvements shall at least offset the cost of the incentives within a reasonable time frame. The scheme shall be subject to regular review involving airspace users' representatives.

4. Member States which have established or approved incentive schemes shall monitor the proper implementation by air navigation service providers of these incentive schemes.

Article 13

Setting of unit rates for charging zones

1. Member States shall ensure that unit rates are set for each charging zone on an annual basis. They may also ensure that unit rates are set in advance for each year of a period not exceeding five years.

2. In case of unexpected major changes of traffic or costs, unit rates may be amended during the course of the year.

3. Member States shall inform the Commission and Euro-control, where appropriate, of the unit rates set for each charging zone.

Article 14

Collection of charges

1. Member States may collect charges through a single charge per flight.

2. Users of air navigation services shall promptly and fully pay all air navigation charges.

3. Member States shall ensure that effective enforcement measures are applied. These measures may include the denial of services, detention of aircraft or other enforcement measures in accordance with applicable law.

Article 15

Transparency of the charging mechanism

1. Member States shall ensure that airspace users' representatives are consulted on the charging policy on a regular basis. To this end, they shall provide them with the necessary information on their charging mechanism as set out in Annex VI, or where a Member State has taken the decision referred to in Article 1(6), with the necessary information as set out in Annex III, part 2, and shall organise an effective and transparent consultation hearing to present this information as well as the information referred to in Article 8, in the presence of the air navigation service providers involved.

2. Without prejudice to Article 18 of the service provision Regulation, the relevant documentation shall be put at the disposal of airspace users' representatives, the Commission, Eurocontrol and national supervisory authorities three weeks before the consultation hearing.

CHAPTER IV

FINAL PROVISIONS

Article 16

Appeal

Member States shall ensure that decisions taken pursuant to this Regulation are properly reasoned and are subject to an effective review and/or appeal procedure.

Article 17

Facilitation of compliance monitoring

Air navigation service providers shall facilitate inspections and surveys by the national supervisory authority or by a recognised organisation acting on the latter's behalf, including site visits. The persons authorised by those bodies shall be empowered:

- (a) to examine the relevant accounting documents, asset books, inventories and any other material relevant to the establishment of air navigation charges;
- (b) to take copies of or extracts from such documents;
- (c) to ask for oral explanations on site;
- (d) to enter relevant premises, lands or means of transport.

Such inspections and surveys shall be carried out in compliance with the procedures in force in the Member State in which they are to be undertaken.

Article 18

Entry into force

1. This Regulation shall enter into force on the seventh day following that of its publication in the *Official Journal of the European Union*.

2. This Regulation shall apply from 1 January 2007.

However, Member States may defer the application of Articles 9, 10, 12, 13 and 14 in respect of en route charges until 1 January 2008.

Member States may defer the application of Article 9 and Articles 11 to 15 in respect of terminal charges until 1 January 2010.

If Member States decide to defer application in accordance with the second and third subparagraphs, they shall notify the Commission thereof.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 6 December 2006.

For the Commission

Jacques BARROT

Vice-President

**ASSESSMENT OF THE CONDITIONS FOR THE PROVISION OF AIR NAVIGATION SERVICES AT AIRPORTS
FALLING WITHIN ARTICLE 1(6)**

The conditions to be assessed under Article 1(6) are the following:

1. The extent to which air navigation service providers can freely offer to provide or withdraw from the provision of air navigation services at airports:
 - the existence or otherwise of any significant economic barriers that would prevent an air navigation service provider from offering to provide or withdrawing from the provision of air navigation services,
 - the existence or otherwise of any significant legal barriers that would prevent an air navigation service provider from offering to provide or withdrawing from the provision of air navigation services,
 - the length of contract duration,
 - the existence of a procedure allowing assets and staff to be transferred from one air navigation service provider to another.
2. The extent to which airports can freely determine who will provide their air navigation services, including the option to self-supply:
 - the ability or otherwise of airports to move towards self-supply of air navigation services,
 - the existence or otherwise of legal, contractual or practical barriers to an airport's ability to change air navigation service provider,
 - the role of airspace users' representatives in the selection process of the air navigation service provider.
3. The extent to which there is a range of air navigation service providers from which airports can choose:
 - the existence or otherwise of structural rigidity which restricts the effective choice of the air navigation services for airports,
 - evidence of alternative air navigation service providers, including the option of self-supply that provides choice in the selection of air navigation services by airports.
4. The extent to which airports are subject to commercial cost pressures or incentive-based regulation:
 - whether airports actively compete for airline business,
 - the extent to which airports bear the air navigation service charge,
 - whether airports operate in a competitive environment or under economic incentives designed to cap prices or otherwise incentivise cost reductions.

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ANNEX II

TRANSPARENCY OF THE COST BASE

1. REPORTING TABLE

Member States and air navigation service providers shall fill the following reporting table for each charging zone under their responsibility.

The figures shall be actual figures for year (n – 3) until year (n – 1) and planned figures for year (n) onwards. Actual costs shall be established on the basis of the certified accounts. Planned costs shall be established in accordance with the business plan required by the certificate referred to in Article 7 of the service provision Regulation.

Costs shall be established in national currency.

Table 1

Total costs

Organisation:

Charging zone:

Year n:

(n – 3)	(n – 2)	(n – 1)	(n)	(n + 1)	(n + 2)	(n + 3)	(n + 4)	(n + 5)
A	A	A	F	F	P	P	P	P

Detail by nature

Staff								
Other operating costs								
Depreciation								
Cost of capital								
Exceptional items								
Total costs								

Detail by services

Air traffic management								
Communication								
Navigation								
Surveillance								
Search and rescue								
Aeronautical information								
Meteorological services								
Supervision costs								
Other State costs								
Total costs								

(n – 3)	(n – 2)	(n – 1)	(n)	(n + 1)	(n + 2)	(n + 3)	(n + 4)	(n + 5)
A	A	A	F	F	P	P	P	P

Complementary information on the exchange rate of the national currency with the euro

Exchange rate (1 EUR =)								
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(n - 3)	(n - 2)	(n - 1)	(n)	(n + 1)	(n + 2)	(n + 3)	(n + 4)	(n + 5)
A	A	A	F	F	P	P	P	P

Complementary information on the cost of capital

Average operating capital								
Of which, average long term assets								
Cost of capital before tax (%)								
Return on equity (%)								
Average interest on debts (%)								

2. ADDITIONAL INFORMATION

In addition, Member States and air navigation service providers shall provide at least the following information:

- description of the methodology used for allocating costs of facilities or services between different air navigation services based on the list of facilities and services listed in ICAO Regional Air Navigation Plan, European Region (Doc 7754) and a description of the methodology used for allocating those costs between different charging zones,
- description and explanation of the differences between planned and actual figures for year (n - 1),
- description and explanation of the five-year planned costs based on the business plan,
- description of the costs incurred by Member States (Other State costs),
- description and explanation of the method adopted for the calculation of depreciation costs: historic costs or current costs. When current cost accounting is adopted, provision of comparable historic cost data,
- justification for the cost of capital, including the components of the asset base,
- description of the cost for each airport for each terminal charging zone; for aerodromes with less than 20 000 commercial air transport movements per year being calculated as the average over the previous three years, costs may be presented in an aggregated way per aerodrome,
- breakdown of the meteorological costs between direct costs and 'MET core costs' defined as the costs of supporting meteorological facilities and services that also serve meteorological requirements in general. These include general analysis and forecasting, weather radar and satellite observations, surface and upper-air observation networks, meteorological communication systems, data-processing centres and supporting core research, training and administration,
- description of the methodology used for allocating total MET costs and MET core costs to civil aviation and between charging zones.

ANNEX III

SPECIFIC TRANSPARENCY REQUIREMENTS FOR THE PROVISION OF AIR NAVIGATION SERVICES AT AIRPORTS FALLING WITHIN ARTICLE 1(6)

1. THE COSTS OF AIR NAVIGATION SERVICES

1.1. Reporting table

Air navigation service providers shall fill the following reporting table for each terminal charging zone under their responsibility.

The figures shall be actual figures for year (n – 3) until year (n – 1) and planned figures for year (n) onwards. Actual costs shall be established on the basis of the certified accounts. Planned costs shall be established in accordance with the business plan required by the certificate.

Costs shall be established in National currency.

Table 1

Total costs

Organisation:

Charging zone:

Year n:

(n – 3)	(n – 2)	(n – 1)	(n)	(n + 1)	(n + 2)	(n + 3)	(n + 4)	(n + 5)
A	A	A	F	F	P	P	P	P

Detail by nature

Staff									
Other operating costs									
Depreciation									
Cost of capital									
Exceptional items									
Total costs									

1.2. Additional information

In addition, air navigation service providers shall provide at least the following information:

- description of the methodology used for allocating costs of facilities or services between different air navigation services based on the list of facilities and services listed in ICAO Regional Air Navigation Plan, European Region (Doc 7754),
- description and explanation of the differences between planned and actual non-confidential figures for year (n – 1),
- description and explanation of non-confidential five-year planned costs and investments in relation to expected traffic,
- description and explanation of the method adopted for the calculation of depreciation costs: historic costs or current costs,
- explanation for the cost of capital.

2. THE FINANCING OF AIR NAVIGATION SERVICES

Air navigation service providers shall provide the following information for each terminal charging zone:

- description of the way(s) by which the costs of air navigation services are financed.

ANNEX IV

CALCULATION OF THE ENROUTE SERVICE UNITS

1. The enroute service unit shall be calculated as the multiplication of the distance factor and the weight factor for the aircraft concerned.
2. The distance factor shall be obtained by dividing by one hundred the number of kilometres flown in the great circle distance between the entry and the exit point of the charging zones, according to the latest known flight plan filed by the aircraft concerned for air traffic flow purposes.
3. If the exit and entry point of one flight are identical in a charging zone, the distance factor shall be equal to the distance in the great circle distance between these points and the most distant point of the flight plan.
4. The distance to be taken into account shall be reduced by 20 kilometres for each take-off from and for each landing on the territory of a Member State.
5. The weight factor, expressed as a figure taken to two decimal places, shall be the square root of the quotient obtained by dividing by fifty the number of metric tons in the maximum certificated take-off weight of the aircraft as shown in the certificate of airworthiness or any equivalent official document provided by the aircraft operator. Where this weight is unknown, the weight of the heaviest aircraft of the same type known to exist shall be used. Where an aircraft as multiple certificated maximum take-off weights, the maximum one shall be used. Where an aircraft operator operates two or more aircraft which are different versions of the same type, the average of the maximum take-off weights of all his aircraft of that type shall be used for each aircraft of that type. The calculation of the weight factor per aircraft type and per operator shall be effected at least once a year.

ANNEX V

CALCULATION OF THE TERMINAL SERVICE UNITS

1. The terminal service unit shall be equal to the weight factor for the aircraft concerned.
2. The weight factor, expressed as a figure taken to two decimal places, shall be the quotient, obtained by dividing by fifty the number of metric tons in the highest maximum certified take-off weight of the aircraft, referred to in Annex IV, paragraph 5, to the power of 0,7. However, in a transitional period of five years following the calculation of the first terminal unit rate under this Regulation, this exponent shall be comprised between 0,5 and 0,9.

ANNEX VI

CHARGING MECHANISM

1. REPORTING TABLE

Member States shall fill the following reporting table for each charging zone under their responsibility. Member States shall also provide a consolidated Table 1 for each charging zone under their responsibility. When a charging zone extends across the airspace of more than one Member State, they shall fill the table jointly in accordance with the arrangements referred to in Article 4(4).

The figures shall be actual figures for year (n – 3) until year (n – 1) and planned figures for year (n) onwards. The ‘Total costs’ shall be established as the sum of all total costs presented in Table 1 which are allocated to this charging zone.

Table 2

Unit rate calculation

Organisation(s):

Charging zone:

Year n:

(n – 3)	(n – 2)	(n – 1)	(n)	(n + 1)	(n + 2)	(n + 3)	(n + 4)	(n + 5)
A	A	A	F	F	P	P	P	P

Unit rate (in euro)

Total costs ⁽¹⁾								
Costs of exempted flights								
Amounts carried over to year (n)								
Income from other sources								
Chargeable costs								
Total service units								
Chargeable service units								
Unit rate ⁽²⁾								

⁽¹⁾ As the sum of all total costs presented in Table 1 which are allocated to this charging zone (when certain air navigation services are outsourced, the cost to be taken into account shall be the cost of the annual expenditure).

⁽²⁾ Unit Rate = Chargeable cost/Chargeable service units.

(n – 3)	(n – 2)	(n – 1)	(n)	(n + 1)	(n + 2)	(n + 3)	(n + 4)	(n + 5)
A	A	A	F	F	P	P	P	P

Unit rate (in national currency)

Exchange rate (1 EUR =)								
Unit rate								

(n – 3)	(n – 2)	(n – 1)	(n)	(n + 1)	(n + 2)	(n + 3)	(n + 4)	(n + 5)
A	A	A	F	F	P	P	P	P

Balance to be carried over (in national currency)

Charges billed to users								
Actual total costs								
Income from other sources								
Actual costs of exempted flights								
Amounts carried over to year (n)								
Balance of year (n)								

2. ADDITIONAL INFORMATION

In addition, the Member States concerned shall collect and provide at least the following information:

- description and rationale for the establishment of the different charging zones, in particular with regard to terminal charging zones and potential cross-subsidies between airports,
 - description and explanation on the calculation of the forecast chargeable service units,
 - description and explanation of the methodology used with respect to the recovery of the balance resulting from over or under recovery of previous years,
 - description of the policy on exemptions and a description of the financing means to cover the related costs,
 - description of the income from other sources when they exist,
 - description and explanation of incentives applied on air navigation service providers and, in particular, the modalities to be applied in setting regulatory conditions on the level of unit rates. Description and explanation of the objectives in terms of performance and on the modalities to take them into account in the setting of maximum unit rates,
 - description of the plans of air navigation service providers in order to meet projected demand and performance objectives,
 - description and explanation of incentives applied on users of air navigation services.
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