

FACT SHEET NO.: 1 / 2

PERFORMED BY: NEA/Panteia

A GENERAL INFORMATION	
A 1	Category
A 2	Subcategory
A 3	Transport policy measure (TPM)
A 4	Description of TPM
A 5	Implementation examples
A 6	Objectives of TPM
A 7	Key changes concerning:
A 7.1	- Choice of transport mode / Multimodality:
A 7.2	- Origin and/or destination of trip:
A 7.3	- Trip frequency:
A 7.4	- Choice of route:
A 7.5	- Timing (day, hour):
A 7.6	- Occupancy rate / Loading factor:
A 7.7	- Energy efficiency / Energy usage:
A 8	Main source

Pricing	
External Cost Charges	
Airport charges directive (2009/12/EC)	
This Directive sets common principles for the levying of airport charges at Community airports. Airports offer a number of facilities and services related to the operation of aircraft, from landing to take-off, and the processing of passengers and cargo, the cost of which they generally recover through airport charges. The charges may include: - Runway landing and take-off charges - Aircraft parking charges - Charges for the use of an air bridge - Passenger processing charges Airport charges are paid by the airports users, namely, airlines transporting passengers and/or freight. Indirectly these charges are paid by passengers and freight customers via the ticket price or freight forwarding fee. The directive applies to EU airports above a minimum size, handling more than five million passengers per year. [1]	
UK: one of the few cases where legislation is in place to regulate airport charges. In 2011 nine airports and in 2012 ten airports had to comply with these regulations due to them having over 5mppa in 2009. Three of these airports (Heathrow, Gatwick and Stansted) are already regulated for price control. [5]	
Germany: before the introduction of the ACD, in each of the Bundesländer a regional airport authority was responsible to supervise the airport regulation. This led to huge differences in implementing the federal law. [4, 7]	
Italy: the expected increase from 140 million (2010) to 240 million passengers (2020) and 266 million passengers (2030) at Italian airports requires a modernisation and expansion of the airports to meet passenger demand. Studies also identified the need for a simplified regulatory set-up to help improve competitiveness. The Italian civil aviation authority (ENAC) will be in charge of the implementation of the ACD in Italy. [6]	
- Greater transparency on the costs which charges are to cover. Airports have to provide a detailed breakdown of costs in order to justify the calculation of airport charges - Non-discrimination: the airport charges directive establishes minimum standards for the calculation of the charges airlines to ensure fair competition between airlines. Airlines should be charged the same for receiving the same service in an airport. However, airports can differentiate their services as long as the criteria for doing so are clear and transparent. Airports can also vary charges for environmental reasons (e.g. lower charges for more environmentally-friendly aircraft). - Systems of consultation on charges between airports and airlines (which are already in place at many EU airports) will become mandatory at all airports covered by the Directive - Member States will designate an independent supervisory authority to help settle disputes over charges between airports and airlines. [3]	
minor impact: intra-modal competition with rail transport is possible in the range up to 400-650 km Possibly airports with just under five million passenger a year will become more attractive small impact (i.e. fewer trips) no impact (to a certain extent related to destination) no impact no impact no impact	
[1], [3], [4], [5], [6], [7]	

B IMPACTS	
B 1	OVERVIEW ON IMPACTS
B 1.1	Summary
B 1.2	Summary: Income groups
B 1.3	Summary: Age groups
B 1.4	Summary: Disabled people
B 1.5	Summary: Gender groups
B 1.6	Summary: Ethnic groups

AFFECTED SEGMENTS														Geographical level		Source		
Passengers					Transport operators					Employees in transport	Residents	Economy	Public bodies	Society	1st level	2nd level	Source of assessment	Spatial level of source
Road	Rail	Air	Public transport	Slow modes	Road	Rail	IWW	Air	Maritime									
14 of the 25 most expensive airports are located in the EU. Since 2001, airport costs per passenger had risen on average by 13%; at some airports by more than 20%. Apart from some exceptions (e.g. UK) most Member States do not have adequate legislation for regulating airport charges. The Directive closes this gap by providing a greater transparency between airport operators and airlines regarding the calculation of airport charges. This is especially welcomed by the air carriers who had to reduce operating costs while facing increasing airport costs. On the other hand, the airports emphasize the need for airport capacity extensions. They also state that the airport charges do not cover the full costs of airport infrastructure. [2, 5]																		
No impacts																		
No impacts																		
No impacts. The Disability Discrimination Act (DDA) 1995 now gives rights to disabled people in the area of access to goods, facilities and services. The charges levied for the funding of assistance to disabled passengers and passengers with reduced mobility are governed by Regulation (EC) No 1107/2006 of the European Parliament and of the Council of 5 July 2006 concerning the rights of disabled persons and persons with reduced mobility when travelling by air. The airport charges directive (ACD) does not impact on any of these rights. [5]																		
No impacts. This objective relates to all passengers. Therefore, the ACD is not likely to bring about different consequences according to people's gender or discriminate directly or indirectly against genders. [5]: - Different consequences according to people's gender - People being affected differently according to their gender in terms of access to a service, or the ability to take advantage of proposed opportunities - Discrimination unlawfully, directly or indirectly, against genders; or - Different expectations of the policy from between genders. [DfT IA]																		
No impacts. The ACD is not likely to bring about different consequences according to people's ethnic group or discriminate directly or indirectly against people from some ethnic groups. [5]																		

B 2 TRAFFIC IMPACTS	
B 2.1	Travel or transport time
B 2.2	Risk of congestion
B 2.3	Vehicle mileage
B 2.4	Service and comfort
B 2.I	Overall impacts on social groups
B 2.II	Implementation phase
B 2.III	Operation phase
B 2.IV	Summary / comments concerning the main impacts
B 2.V	Quantification of impacts

AFFECTED SEGMENTS														Geographical level		Source		
Passengers					Transport operators					Employees in transport	Residents	Economy	Public bodies	Society	1st level	2nd level	Source of assessment	Spatial level of source
Road	Rail	Air	Public transport	Slow modes	Road	Rail	IWW	Air	Maritime									
The Directive encourages adequate quality level of services. The airports users and managing bodies have the possibility to conclude an agreement on the quality level of services in relation to the airport charges. [6] - Decrease of vehicle mileage expected due to higher transport costs																		

B 3	ECONOMIC IMPACTS	AFFECTED SEGMENTS													Geographical level		Source					
		Passengers					Transport operators						Employees in transport	Residents	Economy	Public bodies	Society	1st level	2nd level	Source of assessment	Spatial level of source	
		Road	Rail	Air	Public transport	Slow modes	Road	Rail	IWW	Air	Maritime	Public transport										
B 3.1	Transport costs			↗															L	N	S	N
B 3.2	Private income / commercial turn over																					
B 3.3	Revenues in the transport sector																		L	N	E	N
B 3.4	Sectoral competitiveness																		N	I	E	I
B 3.5	Spatial competitiveness			↗															L	R	E	I
B 3.6	Housing expenditures																					
B 3.7	Insurance costs																					
B 3.8	Health service costs																					
B 3.9	Public authorities & adm. burdens on businesses																					
B 3.10	Public income (e.g.: taxes, charges)																		N	-	E	N
B 3.11	Third countries and international relations																					
B 3.I	Overall impacts on social groups																					
B 3.II	Implementation phase																					
B 3.III	Operation phase																					
B 3.IV	Summary / comments concerning the main impacts	<p>The Directive is not likely to have significant impacts on competition: due to the already substantial investment costs the additional costs of the ACD do not create extra barriers to market entry. The Directive might reduce the incentives to compete because it obliges the airports and airlines to reveal financial information. [5] The sectoral competitiveness (especially in relation to high-speed rail) is reduced due to the cost increases.</p> <p>- Administrative burdens increase (relating to the point that Member States will designate an independent supervisory authority to help settle disputes over charges between airports and airlines.) The supervisory body is responsible for conducting reviews and consultation, publishing annual reports of its activities and ensuring a correct application of the ACD. In the case of the UK annual costs of £36k - £39k are estimated [5]</p> <p>- (Spatial) competitiveness between airport with over 5 million passengers and airport transporting less than 5 million passengers will increase</p> <p>- Changes concerning the revenues of airports and airport users: the Commission defines a cap for a period of four or more years on the total revenues per passenger that the airport may collect. If the airport can successfully reduce its costs below the level of the cap, the airport operator and users share the benefits of any cost savings that the airport is able to realise until the cap is reset.</p>																				
B 3.V	Quantification of impacts	<p>Distribution of annual cost by organisational size (example UK): Micro: <1%; Small: 5%; Medium: 10%; Large: 85% [5]; Increased airline ticket prices as a consequence of airport charges: Airport charges for operating airlines at the Spanish airports Barajas in Madrid and El Prat in Barcelona have been increased by 50%, which has led to an increase in airline ticket prices of up to nearly € 12 for long-haul flights and up to € 9 for European flights.</p>																				

B 4	SOCIAL IMPACTS	AFFECTED SEGMENTS													Geographical level		Source					
		Passengers					Transport operators						Employees in transport	Residents	Economy	Public bodies	Society	1st level	2nd level	Source of assessment	Spatial level of source	
		Road	Rail	Air	Public transport	Slow modes	Road	Rail	IWW	Air	Maritime	Public transport										
B 4.1	Health (incl. well-being)																					
B 4.2	Safety																					
B 4.3	Crime, terrorism and security																					
B 4.4	Accessibility of transport systems																					
B 4.5	Social inclusion, equality & opportunities																					
B 4.6	Standards and rights (related to job quality)																					
B 4.7	Employment and labour markets																					
B 4.8	Cultural heritage / culture																					
B 4.I	Overall impacts on social groups	No impacts																				
B 4.II	Implementation phase																					
B 4.III	Operation phase																					
B 4.IV	Summary / comments concerning the main impacts	<p>In order to promote territorial cohesion, Member States have the possibility to apply a common charging system to cover an airport network. Economic transfers between airports in such networks are possible. [1]</p> <p>Any health and well-being impacts of the Directive would be closely correlated with changes in local emissions and noise. These impacts are insignificant. In addition, there will be no impact on wider determinants of health, such as income, crime, housing, education, employment, agriculture or social cohesion. [5]</p> <p>- There is no evidence of an increase in safety due to greater transparency.</p>																				
B 4.V	Quantification of impacts																					

B 5	ENVIRONMENTAL IMPACTS	AFFECTED SEGMENTS													Geographical level		Source					
		Passengers					Transport operators						Employees in transport	Residents	Economy	Public bodies	Society	1st level	2nd level	Source of assessment	Spatial level of source	
		Road	Rail	Air	Public transport	Slow modes	Road	Rail	IWW	Air	Maritime	Public transport										
B 5.1	Air pollutants																		L	R	E	I
B 5.2	Noise emissions																		L	R	E	I
B 5.3	Visual quality of the landscape																					
B 5.4	Land use																					
B 5.5	Climate																					
B 5.6	Renewable or non-renewable resources																					
B 5.I	Overall impacts on social groups																					
B 5.II	Implementation phase																					
B 5.III	Operation phase																					
B 5.IV	Summary / comments concerning the main impacts	<p>Overall a positive impact on the environment is possible: the Directive on airport charges allows differentiated charging on the basis of environmental damage. The ACD is only supposed to have an impact on noise and greenhouse gas emissions where there is an impact on the costs of airport use and hence change in airport use.</p>																				
B 5.V	Quantification of impacts																					

C REFERENCES

C 1	Other TPMs of this subcategory	
C 2	References	<p>International</p> <p>[1] EC (2009). DIRECTIVE 2009/12/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 March 2009 on airport charges.</p> <p>[2] EC (2007). Accompanying document to the Proposal for a Directive of the European Parliament and of the Council on airport charges. Summary of the Impact Assessment. Commission Staff Working Document. Online: http://ec.europa.eu/governance/impact/ia_carried_out/docs/ia_2007/sec_2006_1689_en.pdf</p> <p>[3] EC. Airport charges. Online: http://ec.europa.eu/transport/air/airports/airport_charges_en.htm</p> <p>[4] G. Wolszczak (2009). Airport Charges Regulation: The Impact of the Institutional Structure on the Regulatory Process. Working Paper of the German Airport Performance Project (GAP). Online: http://userpage.fu-berlin.de/~jmueller/gapprojekt/web/papers.html</p> <p>National</p> <p>[5] Department for Transport (2011). Airport charges directive. Impact Assessment. Online: http://www.iatlibrary.bis.gov.uk/uploaded/uksifia_20112491_Airport%20Charges%20Directive1.pdf</p> <p>[6] A. Laconi (2012). The Italian implementation of Airport Charges Directive: Decree Law No. 1 of 24th January 2012. The Aviation and Space Journal. January/March 2012 Year XI no. 1</p> <p>[7] J. Müller, H.M. Niemeier (2012). Reform der ökonomischen Regulierung von Flughäfen in Deutschland, Frankreich und Österreich - Eine Bestandsaufnahme. Online: www.gap-online.de</p>