

# FAB Performance Plan

NEFAB

Second Reference Period (2015-2019)



## Signatories

Performance plan details	
FAB Name	NEFAB
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Member State	Name, title and signature of representative
Estonia	
Finland	
Latvia	
Norway	

Additional comments	
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## Mapping between the template for the FAB performance plan and Annex II of the performance Regulation

### **IMPORTANT NOTE FOR SECTION 3.1.(d) – Cost-efficiency:**

The data and justifications for the cost-efficiency targets at local level are split into two distinct parts of the performance plan, aiming at optimising workload and avoiding duplication of reporting. They comprise:

1. In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
  - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;:
  - The entries and justification requiring data from external sources i.e.
    - The traffic forecast used and, if applicable, their justification against STATFOR
    - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
  - The local alert thresholds, if any, and their justification.
  - A presentation of the consolidation of the targets at FAB level.
2. In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities...), as follows:
  - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
  - The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation,.

A detailed list of the information to be provided in the body of the performance plan and Annex C will be found in Paragraph 3.1(d) below, showing that duplication has been avoided and workload reduced to the minimum required by the performance and charging Regulations.

Annex C forms an integral part of the performance plan and will be used to carry out the assessment of the performance plan.

The table below shows the correspondence between Annex II of EU Regulation 390/2013 and the Performance Plan template

Structure of ANNEX II of the performance Regulation	Link with PRB Performance Plan template			
	Body of Performance Plan	Annex C For cost-efficiency		Other annexes
		RT ref.	AI ref.	
1. INTRODUCTION	1			
1.1. Description of the situation (scope of the plan, list of air navigation service providers covered, etc.).	1.1.			
1.2. Description of the macroeconomic scenario for the reference period including overall assumptions (traffic forecast, etc.)	1.2.			
1.3. Description of the outcome of the stakeholder consultation in order to prepare the performance plan and the agreed compromises as well as the points of disagreement and the reasons for disagreement.	1.3.			Annex A
1.4. Description of the actions taken by air navigation service providers to implement the Network Strategy Plan at functional airspace block level and other guiding principles for the operation of the functional airspace block in the long term perspective..	1.4.			Annex B
1.5. List of airports submitted to the performance scheme in application of Article 1 of the Regulation, with their average number of IFR air transport movements.	1.5.			

1.6. List of exempted airports pursuant to Article 1(5) of Implementing Regulation (EU) No 391/2013 together with their average number of IFR air transport movements.				
<b>2. INVESTMENT</b>	2			Annex D
2.1. Description and justification of the cost, nature and contribution to achieving the performance targets of investments in new ATM systems and major overhauls of existing ATM systems, including their relevance and coherence with the European ATM Master Plan, the common projects referred to in Article 15a of Regulation (EC) No 550/2004, and, as appropriate, the Network Strategy Plan.				
2.2. The description and justification referred to in point 2.1 shall in particular:				
(i) relate the amount of the investments, for which description and justification is given following point 2.1, to the total amount of investments;				
(ii) differentiate between investments in new systems, overhaul of existing systems and replacement investments;				
(iii) refer each investment in new ATM systems and major overhaul of existing ATM systems to the European ATM Master Plan, the common projects referred to in Article 15a of Regulation (EC) No 550/2004, and, as appropriate, the Network Strategy Plan;				
(iv) detail the synergies achieved at functional airspace block level or, if appropriate, with other Member States or functional airspace blocks, in particular in terms of common infrastructure and common procurement;				
(v) detail the benefits expected from these investments in terms of performance across the four key performance areas, allocating them between the en route and terminal/airport phases of flight, and the date as from which benefits are expected;				
(vi) provide information on the decision-making process underpinning the investment, such as the existence of a documented cost-benefit analysis, the holding of user consultation, its results and any dissenting views expressed.				
<b>3. PERFORMANCE TARGETS AT LOCAL LEVEL</b>	3			
3.1. Performance targets in each key performance area, set by reference to each key performance indicator as set out in Annex I, Section 2, for the entire reference period, with annual values to be used for monitoring and incentive purposes:	3,1			
<b>(a) Safety</b>	3.1.(a)			
(i) level of effectiveness of safety management: local targets for each year of the reference period;	3.1.(a).(i)			



(ii) application of the severity classification based on the Risk Analysis Tool (RAT) methodology: local targets for each year of the reference period (percentage);	3.1.(a). (ii)			
(iii) just culture: local targets for the last year of the reference period.	3.1.(a). (iii)			
	3.1.(a). (iv) - Optional section - Additional Safety KPI(s)			
<b>(b) Environment</b>	3.1.(b)			
(i) description of the process to improve route design;	3.1.(b).(i) & (ii)			
(ii) average horizontal <i>en route</i> flight efficiency of the actual trajectory.				
	3.1.(b).(iii) - Optional section - Additional Environment KPI(s)			
<b>(c) Capacity</b>	3.1.(c)			
(i) minutes of average <i>en route</i> ATFM delay per flight;	3.1.(c).(i)			
(ii) minutes of average terminal ATFM arrival delay per flight;	3.1.(c).(ii)			
(iii) the capacity plan established by the air navigation service provider(s).	3.1.(c).(iii)			
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(i) determined costs for <i>en route</i> and terminal air navigation services set in accordance with the provisions of Article 15(2)(a) and (b) of Regulation (EC) No 550/2004 and in application of the provisions of Implementing Regulation (EU) No 391/2013 for each year of the reference period;	3.1.(d).1.A 3.1.(d).2.A			
(ii) <i>en route</i> and terminal service units forecast for each year of the reference period;	3.1.(d).1.A 3.1.(d).2.A 3.1.(d).1.C 3.1.(d).2.C	RT 1 (5.4)		
(iii) as a result, the determined unit costs for the reference period;	3.1.(d).1.A 3.1.(d).2.A	RT 1 (5.5)		
(iv) description and justification of the return on equity of the air navigation service providers concerned, as well as on the gearing ratio and on the level/composition of the asset base used to calculate the cost of capital comprised in the determined costs;		RT 1 (3.1-3.4, 3.6)	AI 1 e)	
(v) description and explanation of the carry-overs from the years preceding the reference period;		RT 1 (3.1-3.4, 3.6)	AI 3 c), d), e)	
(vi) description of economic assumptions, including:	3.1.(d).1.B	RT 1 (5.1-5.2)		

— inflation assumptions used in the plan as compared to an international source such as the IMF (International Monetary Fund) Consumer Price Index (CPI) for the forecasts and Eurostat Harmonised Index of Consumer Price for the actuals. Justification of any deviation from these sources,	3.1.(d).2.B			
— assumptions underlying the calculation of pension costs comprised in the determined costs, including a description on the relevant national pension regulations and pension accounting regulations in place and on which the assumptions are based, as well as information whether changes of these regulations are anticipated,			AI 4 b)	
— interest rate assumptions for loans financing the provision of air navigation services, including relevant information on loans (amounts, duration, etc.) and explanation for the (weighted) average interest on debt used to calculate the cost of capital pre tax rate and the cost of capital comprised in the determined costs,		RT 1 (3.7)	AI 4 c)	
— adjustments beyond the provisions of the International Accounting Standards;			AI 1 Item c)	
(vii) if applicable, description in respect to the previous reference period of relevant events and circumstances set out in Article 14(2)(a) of Implementing Regulation (EU) No 391/2013 using the criteria set out in Article 14(2)(b) of Implementing Regulation (EU) No 391/2013 including an assessment of the level, composition and justification of costs exempt from the application of Article 14(1)(a) and (b) of Implementing Regulation (EU) No 391/2013;		RT 3 (3.1-3.12)	AI 3 b)	
(viii) if applicable, a description of any significant restructuring planned during the reference period including the level of restructuring costs and a justification for these costs in relation to the net benefits to the airspace users over time;		RT 3 (4.1)	AI 4 d)	
(ix) if applicable, restructuring costs approved from previous reference periods to be recovered.		RT 3 (4.1)	AI 4 e)	
3.2. Description and explanation of the consistency of the performance targets with the relevant Union-wide performance targets. When there is no Union-wide performance target, description and explanation of the targets within the plan and how they contribute to the improvement of the performance of the European ATM network.	3.1.(a).(i) 3.1.(a). (ii) 3.1.(a). (iii) 3.1.(a). (iv) 3.1.(b).(i) & (ii) 3.1.(b).(iii) 3.1.(c).(i) 3.1.(c).(ii) 3.1.(c).(iii) 3.1.(c).(iv) 3.1.(d).1.A 3.1.(d).2.A	RT 3 (4.1)	AI 4 e)	
3.3. Description and explanation of the interdependencies and trade-offs between the key performance areas, including the assumptions used to assess the trade-offs.	3,3			
3.4. Contribution of each air navigation service	3.1.(a).(i)	RT 1 (All)	AI 4 a)	

provider concerned to the achievement of the performance targets set for the functional airspace block in accordance with Article 5(2)(c)(ii).	3.1.(a). (ii) 3.1.(a). (iii) 3.1.(a). (iv) 3.1.(b).(i) & (ii) 3.1.(b).(iii) 3.1.(c).(i) 3.1.(c).(ii) 3.1.(c).(iii) 3.1.(c).(iv)			
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6.2. Comparison with previous performance plan.	6,2			
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Description of the measures put in place by the national supervisory authorities to achieve the performance targets, such as:				
(i) monitoring mechanisms to ensure that the ANS safety programmes and business plans are implemented;				
(ii) measures to monitor and report on the implementation of the performance plans including how to address the situation if targets are not reached during the reference period.				

## SECTION 1: INTRODUCTION

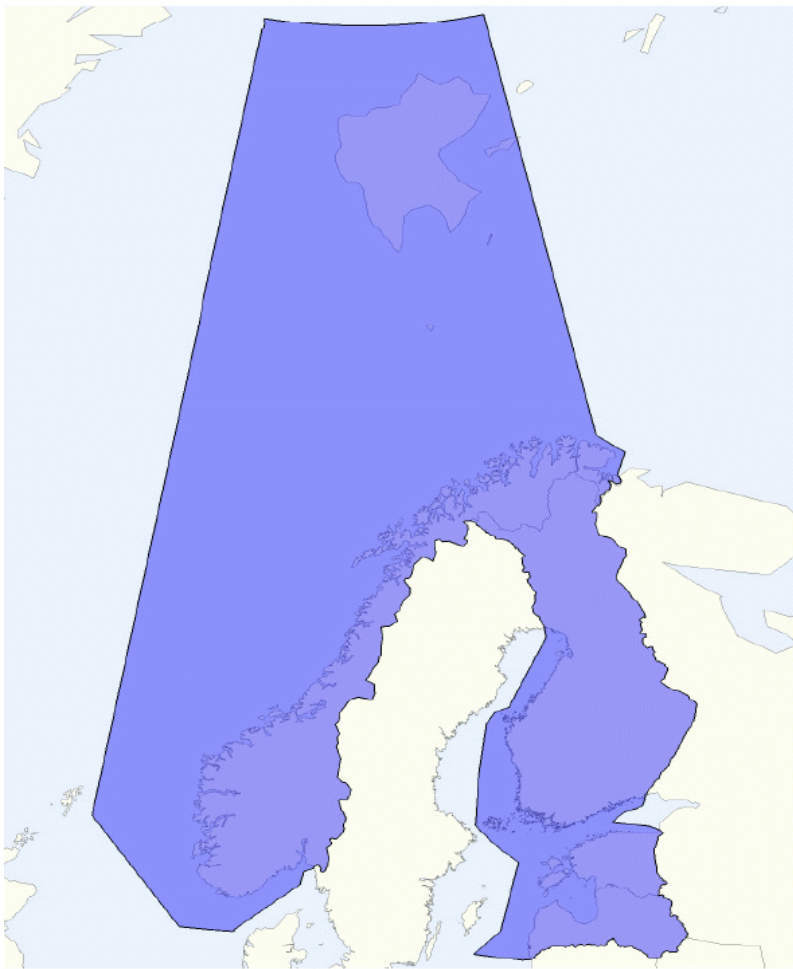
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# 1 - INTRODUCTION

## 1.1 - The situation

NSAs responsible for drawing up the Performance Plan	NSA Finland (Finnish Transport Safety Agency, Trafi)
NSA responsible for the coordination within the FAB	NSA Finland (Finnish Transport Safety Agency, Trafi)
List of accountable entities	Avinor AS, Oslo Lufthavn AS, Meteorologisk Institutt (Met.no) , CAA Norway, Finavia, Finnish Meteorological Institute, Finnish Transport Safety Agency (Trafi) Estonian Air Navigation Service Provider, Estonian Civil Aviation Administration, Ministry of Economic Affairs and Communications (Estonia), Estonian Aviation Academy, Ministry of the interior (Estonia), Latvijas Gaisa Satiksme (ANSP), Latvijas vides, geologijas un meteorologijas centrs (MET), State agency CAA Latvia, Ministry of Transport (Latvia)
Geographical scope	Estonia, Finland, Latvia, Norway No cross-border arrangements affecting calculation of KPIs

Additional comments	<p>Commission Regulation (EU) No 390/2013 laying down a Performance Scheme (The Performance Regulation) requires all functional airspace blocks to develop Performance Plans, in FAB level setting out their performance targets for the next five years. This document provides the Performance Plan for North European Functional Airspace Block (NEFAB) for the second reference period (RP2) of the performance scheme from 01.01.2015 until 31.12. 2019. The European Parliament and the Council have stated in Regulation (EC) 549/2004 laying down the framework for the creation of the single European sky that the performance of the air navigation services system as a whole at European level should be assessed on a regular basis, with due regard to the maintenance of a high level of safety, to check the effectiveness of the measures adopted and to propose further measures. In order to reach this goal the Parliament and the Council required the Commission to enact implementing rules for laying down a performance scheme for air navigation services in the European Union.</p> <p>According to the mandate given, the Commission has issued Regulation (EU) No 390/2013 which lays down the principles for the performance scheme. The regulation presumes that in the first stage the Commission should adopt European Union wide performance targets and in the second stage the regulation requires FABs to take actions to adopt individual performance schemes. When adopting individual performance schemes the FABs should take EU-wide targets into consideration. The Commission will assess the individual performance plans. The performance scheme should contribute to the sustainable development of the air transport system by proving the overall efficiency of air navigation services across the key performance areas (KPAs) of safety, environment, capacity and cost-efficiency, in consistency with those identified in the Performance Framework of the ATM Master Plan, all having regard to the overriding safety objectives.</p> <p>In order to assess and monitor each KPA, separate key performance indicators (KPIs) will be introduced. According to Regulation (EU) No 390/2013, during the second reference period (RP2) which covers calendar years 2015 - 2019, targets for all four KPAs will be placed and monitored and it is under the FAB's discretion if they are willing to adopt and monitor additional KPIs within these KPAs. In the NEFAB area there are no cross-border services that would affect to the calculation of KPIs.</p>
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## 1.2 - Description of the macroeconomic scenario including overall assumptions

### ESTONIA

The institutional context for the provision of ANS Estonia, as covered in this plan, is as follows:

The Estonian Civil Aviation Administration (ECAA) is in the jurisdiction of the Ministry of Economic Affairs and Communications and it is the national supervisory authority, responsible for exercising state supervision over the compliance with the requirements deriving from legal acts regulating the field of activity of ECAA. Main function of ECAA is to ensure aviation safety and execute aviation policy at the national level and in co-operation with other states and international aviation organisations at international level.

The Estonian Air Navigation Service Provider (EANS) is a state owned stock company and a main service provider in Tallinn FIR and at Tallinn Airport. EANS is certified for the provision of ATS, AIS and CNS, and has been designated as ATS provider in the airspace described in Estonian Aeronautical Information Publication. Ministry of Economic Affairs and Communications is the Regulatory Authority in Estonia. The objectives of the Ministry of Economic Affairs and Communications is to create overall conditions for the growth of the competitiveness of the Estonian economy and its balanced and vital development through the drafting and implementing Estonian economic policy and evaluating its outcomes. Ministry has the overall responsibility for developing regulations in all areas related to civil aviation.

Ministry of the Interior and the institutions in its governing area have a task to regulate the crisis management, rescue works and to provide search and rescue service.

Estonian Aviation Academy is a state-owned professional higher education institution providing aviation diplomas and training aviation specialists.

Estonia signed a Declaration of Intent to accede to EUROCONTROL in June 2013. If all goes according to plan, Estonia will become EUROCONTROL's Member State on 1 January 2015.

### ECONOMIC TRENDS FOR ESTONIA

The Estonian economy developed in diverse directions in 2013, as employment rose despite the economic decline in the first two quarters and wage growth accelerated. Major developments for the economy also started in the labour market as the lack of available labour resources and the consequently improved position of employees in wage negotiations created a chain of economic growth based on rapid wage and domestic demand growth, which helped to offset the impact of weak external demand. The growth based on domestic demand was primarily driven by higher household incomes and consumption, while capital formation remained at close to the same level as in the previous year. A small and open economy can only develop on the back of domestic demand for a short while, and in the long run a continued increase in exports will be required for economic growth to be assured.

The gross domestic product of Estonia will increase by 1.5% in 2013 and 3.6% in 2014. In 2015 3.5% growth can be expected. GDP growth will be supported by the increase of foreign and domestic demand in coming years. Growth of exports will be faster compared to imports and therefore the contribution of net exports will turn positive. During 2016-2017 economic growth will accelerate to 3.6% and 3.8% respectively. The main drag to growth will be exports, but the contribution of domestic demand should increase as well.

Domestic demand growth rate will decelerate in 2013 after two years of rapid growth. This is mainly caused by marginal growth expectations of investment, mostly because of the very high base level last year, as growth rates during the past two years exceeded 20%.

The decline in households' saving rate since the peak of the crisis may have stopped and nominal consumption growth will not exceed income growth during the following years, but lower inflation rate permits acceleration of consumption next year. In 2015 consumption possibilities are increased by income tax rate reduction.

Harmonised consumer price (HCPI) increase will slow down from 4.2% in 2012 to 3.2% in 2013 and to 2.7% in 2014. Deceleration in inflation in the second half of the year is favored by the decreasing effect of foreign

factors due to the strong base effect from a year ago and due to fall in prices of education services. In 2014, inflation will decelerate due to receding price pressures coming from energy prices. Dropping out the impact from electricity market opening will be the biggest factor in the beginning of next year. On the other hand, core inflation will accelerate during 2014, contributing from stronger wage increases and the ending of one-off price decreases of some services. Taking into consideration that there will not be any large price fluctuations in commodity prices, consumer price increase will stabilize below 3% in following years

## FINLAND

This information is based on the reports of Ministry of Finance and on Finavia's business plan.

The institutional context for the provision of ANS in Finland, as covered in this plan, is as follows:

The Ministry of Transport and Communications represents the Member State and determines the performance plan scope and targets and adopts the performance plan for Finland. The Ministry steers the operations of the Finnish Transport Safety Agency and the Finnish Meteorological Institute. The Ministry sets general and operational targets for Finavia Corporation and steers the ownership of the company on behalf of the state of Finland. The Ministry ensures that the national supervisory authority (NSA) has the necessary resources and capabilities in all key performance areas to carry out the tasks provided for in Commission regulation (EU) No 390/2013.

The Finnish Transport Safety Agency (Trafi) is the national supervisory authority (NSA) for air navigation service provision and meteorological (MET) services. Trafi is responsible for drawing up and delivering the NEFAB performance plan, prepares Finland's contribution to the NEFAB performance plan and oversees and monitors the performance at local level.

Finavia Corporation provides en-route and terminal air navigation services in Finland. Finavia Corporation owns and runs the airports in Finland (excluding Seinäjoki and Mikkeli).

The Finnish Meteorological Institute (FMI) provides meteorological services in Finland. The FMI is responsible for aviation weather forecast services and observations in 25 airports in Finland.

## ECONOMICAL

The euro area economy is recovering. However growth will remain slow because of low employment levels, balance sheet adjustments in both the household and public sector, and persistently low competitiveness. The financial and debt crisis has eroded the euro area's growth potential. The US economy is continuing on its path of slow recovery. World trade growth remains exceptionally sluggish.

In 2014 GDP growth will edge up to 0.8% on the back of domestic consumption and exports. Growth will be bolstered by gradual recovery in the euro area, accelerating export demand and continued low interest rates. In 2015 it is predicted that growth will reach around 1.8% and be more broadly based than before. Historically the growth is weak and cumulative growth during 2013 - 2015 will be only 1.4%. In the last years of the outlook period the GDP growth rate will exceed potential output growth, despite the historically sluggish rate of economic growth. The economy's growth potential is low because labour input is stagnant, restructuring has destroyed existing production capacity, and there is very little investment in new production capacity.

Sluggishness in the domestic economy has been reflected in consumer prices, and there has also been little upward price pressure from the international raw materials markets. 2014 average projected inflation is 2.1%. During 2014 increased indirect taxes will push up prices by 0.6 percentage points. The unemployment rate will rise to 8.4% this year and only drop below 8% towards the end of 2015. Unemployment will fall only

slowly due to sluggish economic growth and mismatch problems in the labour market.

The general government budgetary position is inevitably affected by the fact that GDP growth has been in negative territory for two consecutive years: public finances will remain in deficit over the coming years. Central government and local authorities are clearly in deficit, the earnings-related pension sector shows a surplus and other social security funds are close to balance.

Public debt will rise both in nominal terms and in relation to GDP, and during 2014 the debt ratio will exceed 60%. Public debt threatens to continue to increase in the medium term. Public expenditure to GDP is set to climb to its highest level in 15 years.

#### POLITICAL

The Single European Sky-initiative is putting pressure on the ANSPs to perform better. FAB- and national level performance plans have been (will be) issued in order to carry out the ambitious plans of the Commission. All NEFAB states are subject to the FAB-wide targets within the Key Performance Areas of cost-efficiency, capacity, safety and environment for the second reference period of the performance scheme

On national level, the Navigation- and Surveillance strategy outlines the domestic requirements for effective ATM. The relocation of the Air Force bases alters the national air traffic flows in a way that the structure of airspace has to be altered to cater for the changed needs.

Coordination and exchange of information at state level, NSA-level and ANSP-level is considered to be of great importance in order to adapt to changes in the political framework.

#### SOCIOLOGICAL

The business of the ANSP involves many stakeholders. The stakeholders have different requirements, dependent on the nature of their task or business. In the operational perspective there are clear differences between civil and military airspace users and between commercial air traffic and different non-commercial operations.

During the next five years, the management of relations towards the NSA's and States will be of major importance. The bi-directional flow of information will be essential.

#### TECHNOLOGICAL

The European ATM Master Plan is the driver for new operational concepts and supporting technology. The ANSPs and their customers will be more dependent on advanced technology in the future calling for robust solutions with sufficient capacity and redundancy to ensure the safe operation of aircraft.

Requirements for interoperability may drive the ATM supplier industry to new business and service models, and commercial off the shelf products and system integration solutions may play a more important role in the future. At the same time the air traffic industry becomes less dependent on ground navigation infrastructure as satellite navigation is more widely used as the prime source of navigation.

#### LEGAL

It is foreseen that further developments within the SES-legislation may mean more guidance (regulation) in the direction of true competition for service provision in each state, industrial partnership and bilateral cooperation.

At state-level, NEFAB continues to shape the strategies of each ANSP involved in the state level agreement. National strategies and plans have to be aligned with the Eurocontrol ATM Master Plan, NEFAB- and Borealis Business Plans.

#### ENVIRONMENTAL

A continued increased demand for more environmentally friendly operations is foreseen, both from a purely economic perspective and from an environmental perspective. This demand will drive ANSP planning and the choice of future solutions for airspace management and airspace design.

More public attention to aircraft noise is also expected, which in turn may result in conflicts between targets



for emissions and noise. This can to some extent be alleviated by improved navigation methods allowing for advanced Performance Based Navigation procedures to ensure both emission reductions and reduction of the number of people that are affected by aircraft noise.

For the second reference period (2015 – 2019) under the performance scheme, the European Commission will develop binding targets on environmental performance also at FAB level.

## LATVIA

Aviation Department (MoT) – responsible for developing aviation policy, like development programs, concept proposals and is one of the departments under Ministry of Transport. The Aviation Department also issues licenses for performing commercial activities in the field of air traffic services and commercial aviation.

Civil Aviation Agency – (CAA of Latvia) civil aviation safety oversight entity established under the Ministry of Transport., responsible for supervision of airspace utilization, certification and continuous safety oversight. Within the scope of performance plan, the CAA of Latvia is responsible for developing and elaborating the performance plan under the EU wide performance scheme.

The State Joint Stock Company “Latvijas gaisa Satiksme” (LGS) - is the sole air navigation service provider, is a State Enterprise. LGS was founded in 1991 with 100% state ownership. On the 12th June 1997 the enterprise changed its legal status and became a State Joint Stock Company. LGS is under the supervision of the Ministry of Transport. LGS is completely separated and independent from LCAA. There is a clear organizational separation between LCAA and LGS. LGS provides air traffic control to all military flights that operate as GAT. There is no separate military ATC unit; therefore there is no provision of military ATM services to civil aircraft in Latvia. LGS provides all services related to ATM. The Search and Rescue Coordination Centre is in LGS. CNS/ATM systems comprising advanced data links, radar stations, navigational aids, data and voice communication systems are owned and maintained by LGS.

State limited Liability Company "Latvian Environment, Geology and Meteorology Centre" (LEGMC) - certified and designated MET provider for meteorological forecasts of Riga FIR to meet Latvia's obligations under ICAO Annex 3. LEGMC is under supervision of the Ministry of Environmental Protection and Regional Development (MEPRD). LEGMC as 100% state owned enterprise provides several defined services to the state.

## Political situation

On 4th October 2014, parliamentary elections would take place (elections of Saeima) . It is not yet clear what to expect from the new political parties which could will be represented in the Saeima, what will be the outcome of elections and what will be the economic policies implemented by the newly established parliamentary government in the field of taxation policy.

After the elections, the president would invite the candidates for the post of Prime Minister. The Prime Minister would then appoint:

- state ministers (after confidence vote by the Saeima);
- Parliamentary Secretaries of the ministries (according to recommendation by the respective minister);
- ministers (after confidence vote by the Saeima);
- Deputy Prime Minister;
- Chief of Staff of the Prime Minister's Office and advisers to the Prime Minister.

Cabinet of Ministers (the rule maker) is a collegial institution, which adopts its decisions at the sittings of the Cabinet of Ministers, within the scope of its competence, considers policy planning documents, external and internal legal acts, orders of the Cabinet of Ministers, informative statements, national positions and official opinions of the State. Upon approval by the Cabinet of Ministers, all legal acts are published in the official newspaper “Latvijas Vēstnesis”.

## Economical situation

GDP. From 2008 to 2010 economy of Latvia experienced one of the sharpest downturns in the world and the

sharpest in EU when the fall of GDP reached 21%. Implementing structural reforms and drastic cuts of expenditure, including decreases wages, salaries, allowances, compensations and as well as expenditure for health, life and accident insurance, the overall consolidation measures reached almost 17% of GDP during time period from 2008 to 2012.

Latvia returned to growth in the latter half of 2010 as a result of economic stabilization measures, while maintaining fixed conversion rate with the euro, which was accompanied by favorable situation in external markets and increase in market confidence. The euro adoption has been viewed as important objective of the exit strategy from the international loan program.

At present, Latvia continues to show rapid and sustainable growth and has achieved considerable improvement in the fiscal position, but still needs to boost productivity and strengthen competitiveness by implementing reforms.

Latvia's GDP in 2012 increased 5% and strong economic growth has been continuing in 2013, albeit at a slightly slower pace still among the fastest in the EU. The slight slowdown in 2013 can be attributed to the generally economic environment in the EU. Domestic demand and private consumption that continued as a positive driver behind the economic growth and was fuelled by a rise in disposable income of households accounted for the major contribution to the annual GDP growth in 2013. At the same time, the contribution of other GDP components was smaller. Investment activity remained relatively sluggish.

Projected GDP growth in 2014 is 4,2%, but in the medium term GDP is expected that the growth rate will be more subdued. The risks which are mainly related to external environment factors and could have an adverse effect on Latvia's economic development still persists in the forecasts.

Inflation. During 2012 inflation gradually decreased, reflecting international food and energy prices and is among the EU's lowest.

Inflation is key element in calculating the costs and unit rates in real terms. Low inflation was the key to ensuring the compliance with the Maastricht criteria, as has been specified in the EC Convergence Report on June 2013. In FY 2012 the inflation forecasted in NPP matched the actual inflation incurred; however, this is not the case with the FY 2013, when actual inflation was zero. As of 1st of January 2014 Latvia became the Member State of the euro area, in the middle term inflation is expected to maintain below 2,5% per year, reflecting price convergence with the euro area.

#### Social situation

Unemployment has been gradually declining from peak in 2010. The jobseeker rate has declined from 21,3% in 2010 to 11,4% in 2013. Further gradual decrease is expected to continue over the coming years. At the same time, employment is likely to increase slower than growth, as the output will be firstly based on increase productivity, but according to the medium-term forecasts of the Ministry of Economics of Latvia the labor demand will continue growing. Unemployment rate might drop to approximately 6% by 2020 and shortage of labor in the sectors with rapid growth will become a topical issue.

Currently, salaries in LGS are small when compared to other European countries and NEFAB countries. In 2011 employment costs in Latvia per one ATCO in OPS were 33.1% of the average EU level. Therefore, equalization of wages (convergence) has to be taken into consideration in RP2. Taking into account the recent upturn in the economic sentiment, there is a big pressure for the increase salaries and improvement of social guaranties. Partly the increases will be made from increasing the cost efficiency of the employees, however it is anticipated that the salary increases will outpace the increases of efficiency.

Improvements in the EU economy are crucial for expected Latvia sustain high growth in the medium term. General economic situation in Europe and in international arena as a whole will affect traffic volumes and traffic trends in Latvia.

Additionally, it should be noted that Latvian ANSP is strongly dependent on several large clients and especially from the largest one which is national air carrier Air Baltic. In 2012 it generated 18.5% of total revenues, accounted for 24% of all flights in Riga FIR and it had a strong share of seats at its Riga hub with 61%. Taking into account Air Baltic financial problems, last two years its CEO has been focusing on the carrier's restructuring program to restore its profitability. At the same time an EU investigation into state aid received in 2011 is ongoing and could potentially lead to the carrier having to repay the funds received from

the state. This would increase the pressure to secure fresh investments from private sector investor. Currently Latvian ANSP cannot predict the future traffic development of Air Baltic as EU state aid investigations puts air carrier's growth plans on hold while possible outcome is unclear.

Latvia is one of the countries with historically the lowest unit rate within EU area. Nevertheless, yearly unit rate reduction in the adopted NPP for RP1 is 2.9%.

#### NORWAY:

##### Avinor A/S (Ltd.)

Avinor A/S (Ltd.) is a 100% state-owned private limited company. The company has approximately 2,700 employees and is responsible for the planning, establishment and operation of airports and air navigation systems in the entire country. The Air Navigation Services division is responsible for the provision of air traffic services in Norwegian airspace, including designated airspace over Norway and the Barents Sea. Avinor A/S also provides air navigation services at 46 aerodromes, including the main airport, Oslo Airport Gardermoen.

Avinor A/S is in the process of establishing a subsidiary that will be responsible for providing air navigation services. The new subsidiary will have separate accounts and financial statements. The subsidiary will make it easier for the Norwegian CAA to monitor the cost bases. The new subsidiary is expected to be established before the start of the second reference period.

##### Oslo Lufthavn AS (Ltd.)

Oslo Lufthavn A/S (Ltd.) is a 100% Avinor owned limited company. The company has approximately 700 employees, and is responsible for the operation of the main airport in Norway, Oslo/Gardermoen airport.

##### Meteorologisk institutt. (The Norwegian Meteorological Institute)

The Norwegian Meteorological Institute is a state administrative body, under the Ministry of Education and Research, that provides meteorological services to both Military and Civil aviation in airspace under the Norwegian responsibility. The Norwegian Meteorological Institute has approximately 440 employees. Approximately 70 employees are engaged within the provision of meteorological services for the aviation sector.

The Meteorological Institute has established three meteorological watch offices which are responsible for the continuous monitoring of the meteorological conditions in Norwegian Flight Information Regions. The Ministry of Transport has designated The Norwegian Meteorological Institute as the meteorological service provider in all airspace under Norwegian responsibility. The designation is valid until 2012, but will be prolonged until 2014.

##### The Ministry of Transport and Communications (Samferdselsdepartementet).

The Ministry of Transport and Communications has the overall responsibility for developing regulations in all areas related to civil aviation. The Ministry of Transport and Communications maintains the State's interests as the sole owner of Avinor A/S (Ltd.).

##### The Civil Aviation Authority (Luftfartstilsynet)

The Civil Aviation Authority - Norway (CAA) is an independent administrative body under the Ministry of Transport with the administrative authority in Norwegian civil aviation. Its main task is to contribute to increased safety in civil aviation. The CAA develop and implements rules and regulations, certifies and oversees among others air navigation service providers, airlines, technical organizations, aviation training schools, aircraft, license holders and airports. The Ministry of Transport has appointed Norwegian CAA as National Supervisory Authority (NSA).

The department of Aerodromes and ANS of the CAA acts as National Supervisory Authority. In cooperation with the Ministry of Transport, the department is responsible for developing regulations for providers of ANS.

The department also regulates and performs safety oversight and audits of organisations and competences involved in the provision of such services.

#### Economic trends for Norway

This chapter is based on the report “Economic trends for Norway and abroad - Upturn to start in 2015” published by Statistics Norway on the 6th of December 2013.

Mainland Norway’s GDP had a weaker development in 2013 than previously projected. The estimated annual growth of 1.8 per cent was well below the trend growth that is now estimated at around 2.5 per cent.

Despite good income growth and low interest rates, the development in household demand is currently weak. Likewise, foreign demand is making no appreciable contribution to output growth in Norway. This will also impact the development in 2014. Unemployment is expected to rise slightly in 2014 and into 2015.

Increased demand on the mainland and internationally is behind an expected turnabout to a modest upturn from 2015. Despite low interest rates and strong growth in household wealth, household saving has increased in recent years. The relatively good development in households’ economy is however expected to continue. Saving behavior is therefore expected to gradually normalize. In 2015 and 2016 Norway expect a significant increase in household consumption.

Norway also expects that the Economic growth among Norway’s trading partners will pick up. This will increase international demand.

Money market rates are expected to rise from 2015. At the end of 2016, the three month money market rate is expected to increase by just over one percentage point from the level in autumn 2013.

Comparisons with RP1 Norway was only slightly affected by the financial crises and the Euro debt crises. In contrast to many other European countries Norway therefore saw a higher increase in traffic than what was projected in the performance plan. Despite of this Avinor A/S reduced its cost base. The cost savings can be explained by understaffing and postponed investments. The costs are expected to increase in 2013 and 2014. In the area of cost-efficiency Avinor A/S has delivered more than expected. This will be taken into consideration when setting the cost-efficiency targets for the second reference period. In the area of capacity Avinor A/S had significant delays in the summer of 2012. These problems have been resolved.

In summary the first reference period can be deemed a success. However there are still some room for improvements.

First the level of detail in the performance plan should allow both the Norwegian Civil Aviation Authority and stakeholders to easily verify if the ANSP achieves the set targets and what assumption the targets are based upon. This is especially important for investments. The investments in RP2 will increase the costs of capital significantly, and it’s important that both the benefits and costs are visible and testable.

Secondly the capacity target should be based on the cost optimum model. In the first reference period the capacity targets were set against the backdrop of a historical trend. This method for calculating the capacity target doesn’t take into account that the ANSP may have had excess capacity for extended periods compared to the cost optimum. This will be taken into account in the performance plan for the second reference period. Even though Avinor A/S delivered more than expected in the area of cost efficiency in the first reference period, the Norwegian Civil Aviation Authority believe that there are still rooms for cost efficiency improvements. The strong contribution in the first reference period can therefore not be an excuse for not contributing to the EU-wide targets in the second reference period.

## 1.3 - Stakeholder consultation

Number of Meetings	5
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Meeting #1	
Name of meeting	NEFAB consultation
Date	26th March 2014
Type of event	Consultation
Level	FAB
Stakeholders	Airspace users (including Mil), IATA, ANSP, Worker unions.
Deadline for responses	
Main issues	
Actions agreed upon	
Points of disagreement and reasons	
Additional comments	In Annex A is enclosed a list of invited stakeholder and a list of stakeholders that attended the consultation.

Meeting #2	
Name of meeting	National consultation / Finland
Date	xx.xx.2014
Type of event	Consultation
Level	National
Stakeholders	Airspace users (including Mil), ANSP, Worker unions.
Deadline for responses	
Main issues	
Actions agreed upon	
Points of disagreement and reasons	
Additional comments	In Annex A is enclosed a list of invited stakeholder and a list of stakeholders that attended the consultation.

Meeting #3	
Name of meeting	National consultation /Latvia
Date	19th March 2014
Type of event	Consultation
Level	National
Stakeholders	Airspace users (including Mil), ANSP, Worker unions, airports
Deadline for responses	
Main issues	
Actions agreed upon	
Points of disagreement and reasons	
Additional comments	

Meeting #4	
Name of meeting	National consultation / Norway
Date	19th March 2014
Type of event	Consultation
Level	National
Stakeholders	Airspace users (including Mil), ANSP, Worker unions.
Deadline for responses	11th of March 2014
Main issues	
Actions agreed upon	
Points of disagreement and reasons	
Additional comments	

Meeting #5	
Name of meeting	
Date	
Type of event	
Level	Click on this cell to select the level of consultation
Stakeholders	
Deadline for responses	
Main issues	
Actions agreed upon	
Points of disagreement and reasons	

Additional comments	
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## 1.4 - Actions to implement the Network Strategy Plan at FAB level, and other guiding principles for the operation of the FAB in the long-term perspective

Number of Actions	6
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<EANS, OLDI upgrade: floating COPs>	2015	2016	2017	2018	2019
Planned date of entry into operation	November				
Description	Interchange of OLDI data with NEFAB states using floating COPs instead of fixed COPs				
Reference to NSP and evidence of compliance					
Contribution to reaching the performance targets					
Additional comments					

<EANS, TOPSKY upgrade>	2015	2016	2017	2018	2019
Planned date of entry into operation	November				
Description	TOPSKY support for floating COPs- receiving the estimate on floating COP, calculating the predicted trajectory of traffic, upgrade the trajectory of re-routed traffic, etc.				
Reference to NSP and evidence of compliance					
Contribution to reaching the performance targets					
Additional comments					

<EANS, Airspace design for FRA>	2015	2016	2017	2018	2019
Planned date of entry into operation	November				
Description	Validating the predicted traffic flows in FRA environment, ARES re-design to meet the needs of the predicted traffic flows, Real Time Simulations to validate the planned changes in airspace and controller working procedures.				
Reference to NSP and evidence of compliance					
Contribution to reaching the performance targets					
Additional comments					

<EANS, Airspace design for FRA>	2015	2016	2017	2018	2019
Planned date of entry into operation	November				
Description	Validating the predicted traffic flows in FRA environment, ARES re-design to meet the needs of the predicted traffic flows, Real Time Simulations to validate the planned changes in airspace and controller working procedures				
Reference to NSP and evidence of compliance					
Contribution to reaching the performance targets					
Additional comments					

<LGS, Airspace design for FRA>	2015	2016	2017	2018	2019
Planned date of entry into operation	November				
Description	Validation of the predicted traffic flows in FRA environment, real time simulations to validate the planned changes in the airspace design and in the air traffic controller working procedures.				
Reference to NSP and evidence of compliance					
Contribution to reaching the performance targets					

Additional comments	
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<Avinor>	2015	2016	2017	2018	2019
Planned date of entry into operation	November				
Description	Validating the predicted traffic flows in FRA environment, Real Time Simulations to validate the planned changes in airspace and controller working procedures.				
Reference to NSP and evidence of compliance					
Contribution to reaching the performance targets	Capacity, Throughput – balance of demand and capacity and increased capacity. Environment – Reduce environmental impact of each flight				
Additional comments					



## 1.5 - List of airports for RP2

List of airports submitted to the Performance and Charging Regulations						
Number of airports	10					
ICAO code	Airport name	State	IFR air transport movements			
			2011	2012	2013	Average
EETN	LENNART MERI TALLINN	Estonia	36 321	45 238	34 456	38 672
EETU	TARTU	Estonia	1 567	1 613	1 111	1 430
EFHK	HELSINKI-VANTAA	Finland	192 255	172 005	168 097	177 452
ENBR	BERGEN/FLESAND	Norway	96 180	96 985	99 911	97 692
ENGM	OSLO/GARDERMOEN	Norway	228 572	235 545	241 058	235 058
ENVA	TRONDHEIM/VAERNES	Norway	53 661	56 653	56 449	55 588
ENZV	STAVANGER/SOLA	Norway	71 045	75 625	78 913	75 194
EVLA	LIEPAJA	Latvia	36	18	45	33
EVRA	RIGA	Latvia	71 547	68 360	67 237	69 048
EVVA	VENTSPILS	Latvia	21	20	4	15

List of airports exempted from the Performance and Charging Regulations	
Latvia: EVLA and EVVA	

Additional comments

## SECTION 2: INVESTMENTS

Mapping between the template for the FAB performance plan and Annex II of the performance Regulation				
Structure of ANNEX II of the performance Regulation	Link with PRB Performance Plan template			
	Body of Performance Plan	Annex C For cost-efficiency		Other annexes
		RT ref.	AI ref.	
<b>2. INVESTMENT</b>	2			Annex D
2.1. Description and justification of the cost, nature and contribution to achieving the performance targets of investments in new ATM systems and major overhauls of existing ATM systems, including their relevance and coherence with the European ATM Master Plan, the common projects referred to in Article 15a of Regulation (EC) No 550/2004, and, as appropriate, the Network Strategy Plan.				
2.2. The description and justification referred to in point 2.1 shall in particular:				
(i) relate the amount of the investments, for which description and justification is given following point 2.1, to the total amount of investments;				
(ii) differentiate between investments in new systems, overhaul of existing systems and replacement investments;				
(iii) refer each investment in new ATM systems and major overhaul of existing ATM systems to the European ATM Master Plan, the common projects referred to in Article 15a of Regulation (EC) No 550/2004, and, as appropriate, the Network Strategy Plan;				
(iv) detail the synergies achieved at functional airspace block level or, if appropriate, with other Member States or functional airspace blocks, in particular in terms of common infrastructure and common procurement;				
(v) detail the benefits expected from these investments in terms of performance across the four key performance areas, allocating them between the en route and terminal/airport phases of flight, and the date as from which benefits are expected;				
(vi) provide information on the decision-making process underpinning the investment, such as the existence of a documented cost-benefit analysis, the holding of user consultation, its results and any dissenting views expressed.				

## 2 - INVESTMENTS

Number of ANSPs	4
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### Avinor

Number of capex	12
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<b>Name of capex 1</b>	<b>FS 108 Natcon Target concept implementation</b>
Description	NATCON South Norway extends life of current NATCON-system, including reduction of maintenance. Data Link is commission regulation. Free route is to provide airspace to operators.
Accountable entity	Avinor AS

Justification of the cost, nature and contribution		
Differentiation	<i>Overhaul of existing system</i>	
Common project	No	
Network Strategy Plan	<i>Click to select</i>	
Ref. to European ATM MP or NSP		ESSIP Objectives: ATC 02.5/ATC 02.6/ATC 02.7 - APW/MSAW/APM - system upgrade enables implementation of these safety nets. FCM-03 - Implement Collaborative Flight Planning. System upgrade enables automatic transmission of AFP-messages. ITY-AGDL - System upgrade is an enabler for initial data link implementation. AOM-21 - Free Route - system upgrade is an enabler for Free Route Airspace Implementation
Joint investment	No	
Synergies achieved at FAB level or other MS	Yes	This investment project an Avinor project as such, but one of the workstreams has the aim to create Free Route Airpace across NEFAB and the SE/DK FAB
Consultation with stakeholders	Yes	
Decision-making process	Yes	The final decision will be made by the Avinor Board after consultation with our customers.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes	1. Free Route implementing NEFAB target concept 2. Data Link: Standard and unambiguous messages (entailing significant error and fatigue reduction), the provision of a communications back up and the possibility of immediate messages retrieval, data link communications are a major safety enhancement. 3. NATCON South Norway will obtain sophisticated STCA-functionality (Short Term Conflict Alert) for Stavanger ACC	01.01.2018	En-route/Terminal
Environment	Yes	No environmental targets has been set for the project. 1. Free Route: reduced emissions 2. Data Link: N/A 3. NATCON South Norway: N/A	01.01.2018	En-route/Terminal
Capacity	Yes	1. Free Route: 2. Data link increase capacity through both reduction of voice congestion and increase in ATCO efficiency. Capacity gain is expected from 3,4% (if 25% of flights is equipped) up to 11 % (if 75% of flights is equipped) 3. NATCON South Norway 3.1. Increased capacity in both Stavanger and Oslo AoR through one single FDPs, and electronic transfer of control, between Stavanger and Oslo. 3.2. The target is to enhance capacity in Oslo sectors no. 5, no. 6 and no. 8 3.3. The target is to enhance capacity in Stavanger sectors North and South. (SN1 SN2 SN3 if the new SNAP airspace configuration). 3.4. Cost / effectiveness of these actions are not included in the cost/benefit analyse.	01.01.2018	En-route/Terminal
Cost efficiency	Yes	1. Free Route: Operators will achieve more flexible route planning. 2. Data Link: Data link is a cost-effective capacity enabler for sector productivity. ANSPs savings derived from staff cost avoidance. Reduction of delays. 3. NATCON South Norway Reducing technical platform to 1 platform. Standardising functionality (development, tests, training )ATCO and tech personnel) and maintenance) Staff efficiency is calculated to reduce cost Apr.. with 8,3 MNOK. Reduced investment cost to enable NEFAB operational concept and data link estimated at 26,4 MNOK. Enhanced potential related to reduction from 2 FDS (flight data section) to 1 joint FDS for Oslo and Stavanger.	01.01.2018	En-route/Terminal

<b>Name of capex 2</b>	<b>FS 108 New ATM infrastructure</b>
Description	Replacement of current ATM technology in order to safeguard SES and FAB interoperability including adjoining FABs and European Joint Venture regarding centralized services.
Accountable entity	Avinor AS

Justification of the cost, nature and contribution		
Differentiation	<i>Overhaul of existing system</i>	
Common project	Yes	
Network Strategy Plan	Yes	

Ref. to European ATM MP or NSP		New ATM Infrastructure is considered as key enabler for the implementation of relevant concepts defined in Step 1 of the European ATM Master Plan . The future system is also foreseen to form a "stepping stone" towards Step 2.
Joint investment	No	
Synergies achieved at FAB level or other MS	Yes	
Consultation with stakeholders	Yes	
Decision-making process	Yes	The final decision will be made by the Avinor Board after consultation with our customers.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes	FAS ACC: SESAR Key Features #5 and #6 No Validation Targets on European level developed. Avinor has no quantitative targets for FAS ACC yet. - FAS ACC will implement the SESAR solutions regarding safety effects, e.g. Enhanced STCA, Approach Procedure Vertical Guidance, Enhanced Situational Awareness(embedded in operational concept for STEP 1. FAS TWR: No Validation Targets on European level developed. - reduce risk pr flight hour	01.01.2019	En-route/Terminal/Airport
Environment	Yes	FAS ACC: - SESAR Key Feature #1 and #2: VT 2,8% reduction in fuel consumption pr flight - performance STEP 1: 46% of VT equivalent to 1,3% - implementation of decision tools as MTCDD FAS TWR: - 2,8% reduced fuel burn pr flight - reduce environmental impact og each flight	01.01.2019	En-route/Terminal/Airport
Capacity	Yes	FAS ACC: - SESAR Key Feature #1,#2 and #6: VT 27% increased flow capacity - performance STEP 1: 20% of VT (en-route), equivalent 5,4% FAS TWR - 14% runway throughput - throughput - balance of demand and capacity - increased capacity - improved quality of service	01.01.2019	En-route/Terminal/Airport
Cost efficiency	Yes	FAS ACC: - SESAR Key Feature #1,#3 and #6: VT 6,1% cost reduction pr flight - performance STEP 1: 25% of VT, equivalent 1,5% - due to e.g. dynamic sectorisation and new decision making tools FAS TWR: - 6,8% AN cost pr flight - increase ATCO productivity - reduce technology costs pr flight	01.01.2019	En-route/Terminal/Airport

<b>Name of capex 3</b>	<b>FS 201 Haukåsen Radar-Upgrade</b>
Description	Technology change, from PSR/MSSR to double MSSR site
Accountable entity	Avinor AS

Justification of the cost, nature and contribution		
Differentiation	<i>Overhaul of existing system</i>	
Common project	No	Linked to Commission Regulation (EC) 1207/2011 - performance and the interoperability of surveillance.
Network Strategy Plan	Yes	
Ref. to European ATM MP or NSP		No direct link with the ATM Master plan. Upgrade decision involved decommissioning of the old PSR-installation. PSR capability at this site is not considered a requirement to satisfy future needs.
Joint investment	No	
Synergies achieved at FAB level or other MS	No	
Consultation with stakeholders	Yes	
Decision-making process	Yes	The decision has been made by the Avinor Board after consultation with our customers.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes	Existing radar (combined PSR/MSSR) has reached end of life. Replacing this with a new MSSR is an effective solution.	01.01.2014	En-route/Terminal
Environment	Yes	N/A	01.01.2014	
Capacity	Yes	N/A	01.01.2014	
Cost efficiency	Yes	Replacement of technology. No change regarding costs. MSSR technology is less expensive than PSR technology regarding power consumption.	01.01.2014	En-route/Terminal

<b>Name of capex 4</b>	<b>FS 204 Norwegian Wide Area Multilateration (NORWAM)</b>
Description	Technology change, enables surveillance coverage in non-radar airspace
Accountable entity	Avinor AS

Justification of the cost, nature and contribution		
Differentiation	<i>Overhaul of existing system</i>	
Common project	No	
Network Strategy Plan	Yes	Linked to Commission Regulation (EC) 1207/2011 - performance and the interoperability of surveillance.

Ref. to European ATM MP or NSP	No direct link with the European ATM Master plan, but the project enables surveillance coverage in non-radar airspace, enabling the implementation of procedures to increase capacity and improve flight efficiency.	
Joint investment	No	
Synergies achieved at FAB level or other MS	No	
Consultation with stakeholders	Yes	
Decision-making process	Yes	The final decision will be made by the Avinor Board after consultation with our customers.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes	1. Fulfil requirement in SPI-IR regarding Surveillance for ANSP. 2. Increased surveillance in areas with lack of surveillance capability today, e.g. Sogn TMA, Svalbard corridor, and some offshore-areas.	01.01.2015	En-route/Terminal
Environment	Yes	1. NORWAM will not affect the environment directly 2. Improved surveillance will contribute to more efficient flight profiles, both regarding environmental challenges (direct routing, lower fuel consumption with lower COs emissions, reduce of notice) and the operators capacity and economy.	01.01.2017	En-route/Terminal
Capacity	Yes	1. The NORWAM project will support current and future requirements to Surveillance regarding 2,5/3/5 NM separation. 2. Operational criteria regarding separation will offer the customers more airspace capacity.	01.01.2018	En-route/Terminal
Cost efficiency	Yes	1. WAM technology will reduce costs for surveillance for Norwegian airspace over lifecycle of 15 years with up to 600 MNOK compared with "as is" technology. 2. The new technology will reduce cost regarding investment. Operational cost will be reduced compared to MSSR.	01.01.2019	En-route/Terminal

<b>Name of capex 5</b>	<b>FS 702 New Operational Concept</b>
Description	An approved Operational Concept for TWR/TMA and ACC operations, according to STEP1 of European ATM Master Plan.
Accountable entity	Avinor AS

Justification of the cost, nature and contribution		
Differentiation	New system	
Common project	No	NEFAB Target Concept shall be adapted. Norwegian practices and interpretations of the ICAO documents, including BSL G shall be included.
Network Strategy Plan	Yes	
Ref. to European ATM MP or NSP	Regulation (EC) no. 552/2004 - Interoperability of ATM Network. Regulation (EC) no. 482/2008 - Software Safety Assurance Regulation (EC) no. 1315/2007 - Safety Oversight in air traffic management Regulation (EC) no. 2096/2005 (EC) Common Requirements	
Joint investment	No	
Synergies achieved at FAB level or other MS	No	
Consultation with stakeholders	Yes	
Decision-making process	Yes	The final decision will be made by the Avinor Board after consultation with our customers.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes			En-route/Terminal/Airport
Environment	Yes			En-route/Terminal/Airport
Capacity	Yes			En-route/Terminal/Airport
Cost efficiency	Yes			En-route/Terminal/Airport

<b>Name of capex 6</b>	<b>FS 100 ATM-Systems General</b>
Description	Updates in accordance by SES and national regulations, customer needs, SES and FAB interoperability adaptation and "life time cycle" for Avinor, Military and private airports.
Accountable entity	Avinor AS

Justification of the cost, nature and contribution		
Differentiation	Overhaul of existing system	
Common project	No	
Network Strategy Plan	Yes	
Ref. to European ATM MP or NSP		
Joint investment	No	
Synergies achieved at FAB level or other MS	No	
Consultation with stakeholders	Yes	
Decision-making process	Yes	

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes			En-route/Terminal/Airport

Environment	Yes			En-route/Terminal/Airport
Capacity	Yes			En-route/Terminal/Airport
Cost efficiency	Yes			En-route/Terminal/Airport

<b>Name of capex 7</b>	<b>FS 200 Surveillance General</b>			
Description	Updates in accordance by SES and national regulations, customer needs, SES and FAB interoperability adaptation and "life time cycle" for Avinor, Military and private airports.			
Accountable entity	Avinor AS			

Justification of the cost, nature and contribution				
Differentiation	<i>Overhaul of existing system</i>			
Common project	No			
Network Strategy Plan	<i>Click to select</i>			
Ref. to European ATM MP or NSP				
Joint investment	No			
Synergies achieved at FAB level or other MS	No			
Consultation with stakeholders	Yes			
Decision-making process	Yes	The final decision will be made by the Avinor Board after consultation with our customers.		

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes			En-route/Terminal
Environment	Yes			En-route/Terminal
Capacity	Yes			En-route/Terminal
Cost efficiency	Yes			En-route/Terminal

<b>Name of capex 8</b>	<b>FS 300 Navigation General</b>			
Description	Updates in accordance by SES and national regulations, customer needs, SES and FAB interoperability adaptation and "life time cycle" for Avinor, Military and private airports.			
Accountable entity	Avinor AS			

Justification of the cost, nature and contribution				
Differentiation	<i>Overhaul of existing system</i>			
Common project	No			
Network Strategy Plan	<i>Click to select</i>			
Ref. to European ATM MP or NSP		ESSIP Objective NAV-03 and NAV-10 to ensure sufficient DME-DME coverage to implement P-RNAV and APV-procedures. DME-DME coverage has direct link with European ATM Master plan - OFA 02.01.01 - Optimised RNP Structures		
Joint investment	No			
Synergies achieved at FAB level or other MS	No			
Consultation with stakeholders	Yes			
Decision-making process	<i>Click to select</i>			

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes			En-route/Terminal/Airport
Environment	Yes			En-route/Terminal/Airport
Capacity	Yes			En-route/Terminal/Airport
Cost efficiency	No			En-route/Terminal/Airport

<b>Name of capex 9</b>	<b>FS 400 Communication General</b>			
Description	Updates in accordance by SES and national regulations, customer needs, SES and FAB interoperability adaptation and "life time cycle" for Avinor, Military and private airports.			
Accountable entity	Avinor AS			

Justification of the cost, nature and contribution				
Differentiation	<i>Overhaul of existing system</i>			
Common project	No			
Network Strategy Plan	Yes			
Ref. to European ATM MP or NSP		ESSIP Objective NAV-03 and NAV-10 to ensure sufficient communication coverage to implement P-RNAV and APV-procedures. Enablers for AMHS implementation is included in the investment plan with reference to ESSIP objective COM-10 and enabler CTE-C10 in the Master plan Investment plans include change of Voice Communication Systems to enable VoIP with reference to ESSIP objective COM-11 and enabler CTE-C8 in the Master plan Communication coverage has direct link with European ATM Master plan - OFA 02.01.01 - Optimised RNP Structures		

Joint investment	No	
Synergies achieved at FAB level or other MS	No	
Consultation with stakeholders	Yes	
Decision-making process	Yes	

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes			En-route/Terminal
Environment	No			
Capacity	Yes			En-route/Terminal
Cost efficiency	No			

<b>Name of capex 10</b>	<b>FS 500 MET General</b>
Description	Updates in accordance by SES and national regulations, customer needs, SES and FAB interoperability adaptation and "life time cycle" for Avinor, Military and private airports.
Accountable entity	Avinor AS

Justification of the cost, nature and contribution	
Differentiation	<i>Overhaul of existing system</i>
Common project	No
Network Strategy Plan	No
Ref. to European ATM MP or NSP	
Joint investment	No
Synergies achieved at FAB level or other MS	Yes
Consultation with stakeholders	Yes
Decision-making process	Yes

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes	ADQ: enhance static and dynamic data regarding "one point / one database". Facilitate the NOTAM process when immediate needs occurs, by using electronic NOTAM software.		
Environment	No			
Capacity	No			
Cost efficiency	Yes	AIM/Panda: EAIP: ADQ: joint system for static data and dynamic data, reducing the no of as is system (reducing documentation, training,) facilitate new work processes witch will enhance capacity ( and in fact reduce staff), reduce time to product to the customers, facilitate electronic NOTAM (reduce timelines). Simplify as is manually operations and control of data transfer between software used. Reduce the need of as is software.		

<b>Name of capex 11</b>	<b>FS 701 Mobility General</b>
Description	Maintenance of ANS installations on Norwegian territory (Inc. Islands in both Atlantic- and Barent seas) according to customer specifications.
Accountable entity	Avinor AS

Justification of the cost, nature and contribution	
Differentiation	<i>Overhaul of existing system</i>
Common project	No
Network Strategy Plan	No
Ref. to European ATM MP or NSP	
Joint investment	No
Synergies achieved at FAB level or other MS	No
Consultation with stakeholders	Yes
Decision-making process	Yes

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes			
Environment	No			
Capacity	No			
Cost efficiency	No			

<b>Name of capex 12</b>	<b>FS 700 Buildings General</b>			
Description	Maintenance of property (buildings as installations) of ATM and ANS/SUR equipment in Norwegian territory (Inc. islands in both Atlantic and Barent seas), were Avinor supplies service, technical upgrade of installations and is responsible for regulations (security, environment, fire etc.)			
Accountable entity	Avinor AS			
Justification of the cost, nature and contribution				
Differentiation	<i>Overhaul of existing system</i>			
Common project	No			
Network Strategy Plan	No			
Ref. to European ATM MP or NSP				
Joint investment	No			
Synergies achieved at FAB level or other MS	No			
Consultation with stakeholders	Yes			
Decision-making process	Yes			
KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	No			
Environment	No			
Capacity	No			
Cost efficiency	No			

Name of investment	Total CAPEX for the project	Planned Amount of Capital Expenditures (in national currency)					Lifecycle (Amortisation period in years)	Allocation en route / terminal ANS (%)	Planned date of entry into operation (IOC / FOC dates)
		2015	2016	2017	2018	2019			
<i>FS 108 Natcon Target concept implementation</i>	35 013 000	35 013 000					15		2015
<i>FS 108 New ATM infrastructure</i>	850 000 000	50 000 000	200 000 000	200 000 000	200 000 000	200 000 000	10		?
<i>FS 201 Haukåsen Radar-Upgrade</i>	37 000 000	37 000 000					20		2015
<i>FS 204 Norwegian Wide Area Multilateration (NORWAM)</i>	138 500 000	24 500 000	53 500 000	38 500 000	22 000 000		15		2018
<i>FS 702 New Operational Concept</i>	100 000 000	50 000 000	50 000 000				15		2016
<i>FS 100 ATM-Systems General</i>	33 600 000	6 800 000	1 200 000	13 200 000	8 200 000	4 200 000	10		?
<i>FS 200 Surveillance General</i>	37 000 000	-9 000 000	-4 000 000	19 000 000	24 000 000	7 000 000	10		?
<i>FS 300 Navigation General</i>	14 000 000	4 000 000	4 000 000	4 000 000	1 000 000	1 000 000	10		?
<i>FS 400 Communication</i>	83 400 000	20 000 000	14 600 000	19 600 000	14 600 000	14 600 000	10		?
<i>FS 500 MET General</i>	7 500 000	1 500 000	1 500 000	1 500 000	1 500 000	1 500 000	10		?
<i>FS 701 Mobility General</i>	17 500 000	3 500 000	3 500 000	3 500 000	3 500 000	3 500 000	10		?
<i>FS 700 Buildings General</i>	19 000 000	5 500 000	500 000	5 500 000	4 500 000	3 000 000	10		?
Sub-total of main capex above (1)	1 372 513 000	228 813 000	324 800 000	304 800 000	279 300 000	234 800 000			
Sub-total other Capex (2)									
<b>Total capex (1) + (2)</b>	<b>1 372 513 000</b>	<b>228 813 000</b>	<b>324 800 000</b>	<b>304 800 000</b>	<b>279 300 000</b>	<b>234 800 000</b>			

Additional comments

**EANS**

<b>Number of capex</b>	6			
<b>Name of capex 1</b>	<b>Communication</b>			
Description				
Accountable entity	EANS			
Justification of the cost, nature and contribution				
Differentiation	<i>Overhaul of existing system</i>			
Common project	<i>Click to select</i>			
Network Strategy Plan	<i>Click to select</i>			
Ref. to European ATM MP or NSP				
Joint investment	<i>Click to select</i>			
Synergies achieved at FAB level or other MS	<i>Click to select</i>			
Consultation with stakeholders	<i>Click to select</i>			
Decision-making process	<i>Click to select</i>			
KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases



Safety	<a href="#">Click to select</a>	New Com technology has indirect affect on safety, but is enabler of safety related data processing. LAN technology allows to build up flexible redundancy. Replacement of depreciated equipment has main safety aspect		
Environment	<a href="#">Click to select</a>	Decreased need for the radio frequencies		
Capacity	<a href="#">Click to select</a>	A/G DL increase capacity of radiospectrum, which is one enabler of sector capacity stretching WAM infrastructure increase capacity and speed of the data exchange		
Cost efficiency	<a href="#">Click to select</a>	VoIP allows more efficient use of network recourses Maintenance of WAM based communication is more efficient.		

<b>Name of capex 2</b>	<b>Navigation</b>
Description	
Accountable entity	EANS

Justification of the cost, nature and contribution		
Differentiation	<a href="#">Click to select</a>	
Common project	<a href="#">Click to select</a>	
Network Strategy Plan	<a href="#">Click to select</a>	
Ref. to European ATM MP or NSP		
Joint investment	<a href="#">Click to select</a>	
Synergies achieved at FAB level or other MS	<a href="#">Click to select</a>	
Consultation with stakeholders	<a href="#">Click to select</a>	
Decision-making process	<a href="#">Click to select</a>	

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	<a href="#">Click to select</a>	Indirect affect on safety, enabler of new airspace design and route design, which have the affect on increase on safety. Replacement of depreciated equipment has main safety aspect.		
Environment	<a href="#">Click to select</a>	New Nav technology based airspace and route design will contribute to reduced CO2 emissions and noise reduction.		
Capacity	<a href="#">Click to select</a>	Indirect affect on capacity, mostly enabler of new airspace design and route design.		
Cost efficiency	<a href="#">Click to select</a>	GNSS based navigation requires less ground-based equipment, maintenance cost and required investments will have substantial decrease of financial recourses.		

<b>Name of capex 3</b>	<b>Surveillance</b>
Description	
Accountable entity	EANS

Justification of the cost, nature and contribution		
Differentiation	<a href="#">Click to select</a>	
Common project	<a href="#">Click to select</a>	
Network Strategy Plan	<a href="#">Click to select</a>	
Ref. to European ATM MP or NSP		
Joint investment	<a href="#">Click to select</a>	
Synergies achieved at FAB level or other MS	<a href="#">Click to select</a>	
Consultation with stakeholders	<a href="#">Click to select</a>	
Decision-making process	<a href="#">Click to select</a>	

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes	New Sur technology allows aquisition of more data about airspace situation. New technology has higher precion and update rate of surveillance data, therefore the safety nets works better. Replacement of depreciated equipment has main safety aspect		
Environment	<a href="#">Click to select</a>			
Capacity	<a href="#">Click to select</a>			
Cost efficiency	Yes	Required maintenance cost and investments into new sur technology will lead to substantial decrease of financial recourses.		

<b>Name of capex 4</b>	<b>Data processing</b>
Description	
Accountable entity	EANS

Justification of the cost, nature and contribution		
Differentiation	New system	
Common project	<a href="#">Click to select</a>	

Network Strategy Plan	<a href="#">Click to select</a>	
Ref. to European ATM MP or NSP		
Joint investment	<a href="#">Click to select</a>	
Synergies achieved at FAB level or other MS	<a href="#">Click to select</a>	
Consultation with stakeholders	<a href="#">Click to select</a>	
Decision-making process	<a href="#">Click to select</a>	

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes	Improved safety nets contribute to reduction of incidents. Planning tools allow smooth traffic on controlled airspace and airport runway. Replacement of depreciated equipment has main safety aspect.		
Environment	Yes	Enabler of airspace and route design, which will contribute to reduced CO2 emissions and noise reduction. Freeroute technology allows shorten the routes and less fuel consumption		
Capacity	Yes	Planning tools and data exchange contributes to the sector capacity increase, free route airspace technology and usage of cross-border sectorisation during low traffic period.		
Cost efficiency	No	No direct impact. Makes possible to reduce navigation fees in shared sectors.		

<b>Name of capex 5</b>	<b>AIS</b>
Description	
Accountable entity	EANS

Justification of the cost, nature and contribution	
Differentiation	<a href="#">Click to select</a>
Common project	<a href="#">Click to select</a>
Network Strategy Plan	<a href="#">Click to select</a>
Ref. to European ATM MP or NSP	
Joint investment	<a href="#">Click to select</a>
Synergies achieved at FAB level or other MS	<a href="#">Click to select</a>
Consultation with stakeholders	<a href="#">Click to select</a>
Decision-making process	<a href="#">Click to select</a>

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes	Improved quality of aeronautical data in use. Audited aeronautical data enables better planning of air traffic and decrease misunderstandings in communication.		
Environment	<a href="#">Click to select</a>			
Capacity	Yes	Planning tools and data exchange contributes to the sector load planning and sector capacity increase.		
Cost efficiency	No	Indirect impact. Co-operation in processing and distributing aeronautical data enables decrease maintenance cost and required investments.		

<b>Name of capex 6</b>	<b>Infrastructure</b>
Description	
Accountable entity	EANS

Justification of the cost, nature and contribution	
Differentiation	<a href="#">Click to select</a>
Common project	<a href="#">Click to select</a>
Network Strategy Plan	<a href="#">Click to select</a>
Ref. to European ATM MP or NSP	
Joint investment	<a href="#">Click to select</a>
Synergies achieved at FAB level or other MS	<a href="#">Click to select</a>
Consultation with stakeholders	<a href="#">Click to select</a>
Decision-making process	<a href="#">Click to select</a>

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	<a href="#">Click to select</a>	Expansion of power and communication network increase the availability of infrastructure		
Environment	No			
Capacity	No			
Cost efficiency	<a href="#">Click to select</a>	Decrease cost of maintenance.		

Name of investment	Total CAPEX for the project	Planned Amount of Capital Expenditures (€)					Lifecycle (Amortisation period in years)	Allocation en route / terminal ANS (%)	Planned date of entry into operation (IOC / FOC dates)
		2015	2016	2017	2018	2019			
Communication	1 461 000	378 000	241 000	42 000	400 000	400 000	various	various	various
Navigation	1 424 000	96 000	496 000	232 000	300 000	300 000	various	various	various
Surveillance	1 469 000	1 205 000	32 000	32 000	100 000	100 000	various	various	various
Data processing	7 965 000	2 748 000	944 000	873 000	1 700 000	1 700 000	various	various	various
AIS	392 000	48 000	64 000	80 000	100 000	100 000	various	various	various
Infrastructure	2 320 000	237 000	933 000	350 000	400 000	400 000	various	various	various
Sub-total of main capex above (1)	15 031 000	4 712 000	2 710 000	1 609 000	3 000 000	3 000 000			
Sub-total other Capex (2)									
<b>Total capex (1) + (2)</b>	<b>15 031 000</b>	<b>4 712 000</b>	<b>2 710 000</b>	<b>1 609 000</b>	<b>3 000 000</b>	<b>3 000 000</b>			

Additional comments

### Finavia

Number of capex	4
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<b>Name of capex 1</b>	<b>ILS/DME renewal</b>
Description	Replacing existing instrumental landing systems with new ILS/DMEs
Accountable entity	Finavia

Justification of the cost, nature and contribution		
Differentiation	Overhaul of existing system	
Common project	Click to select	
Network Strategy Plan	Click to select	
Ref. to European ATM MP or NSP	No direct link with the European ATM Master plan. Upgrade decision is an effective solution to extend the life time of ILS/DME systems.	
Joint investment	Click to select	
Synergies achieved at FAB level or other MS	Click to select	
Consultation with stakeholders	Click to select	
Decision-making process	Yes	ANSP internal. No specific cost-benefit analyses available.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes	Existing instrumental landing systems have reached end of life. Replacing these with a new ILS/DME is an effective solution. Increase safety with better	01.01.2023	terminal/airport
Environment	Click to select			
Capacity	Click to select			
Cost efficiency	Yes	Replacement of technology reduce maintenance costs.	01.01.2023	airport

<b>Name of capex 2</b>	<b>WAM/ADS-B</b>
Description	Technology change, form MSSR to Wide Area Multilateration
Accountable entity	Finavia

Justification of the cost, nature and contribution		
Differentiation	Click to select	
Common project	Click to select	
Network Strategy Plan	Click to select	
Ref. to European ATM MP or NSP	No direct lin with the European ATM Master plan, but the project enables technology change from conventional radars to more economical surveillance technology.	
Joint investment	Click to select	
Synergies achieved at FAB level or other MS	Click to select	
Consultation with stakeholders	Click to select	
Decision-making process	Yes	National NAV/SUR Master Plan of Finland for 2012-2030 (Trafi 29/2012 item 5.5)

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Click to select	Fulfil requirement in SPI-IR regarding Surveillance for ANS	01.01.2016	
Environment	Click to select	Improved sureveillance will contribute to more efficient flight profiles, both regarding environmental challenges and the operators capacity and		
Capacity	Click to select	WAM will support current and future requirements to surveillance	01.01.2016	
Cost efficiency	Click to select	WAM technology will reduce costs for surveillance. Operational cost will be reduced compared to MSSR	01.01.2016	

<b>Name of capex 3</b>	<b>MSSR-renewal to EFHK, EFRO, EFTP, EFKU and EFJY</b>
Description	Replacing existing radars with new MSSRs
Accountable entity	Finavia

Justification of the cost, nature and contribution		
Differentiation	Overhaul of existing system	
Common project	Click to select	
Network Strategy Plan	Click to select	
Ref. to European ATM MP or NSP	No direct link with the European ATM Master plan. Upgrade decision is an effective solution to extend the life time of MSSR systems.	
Joint investment	Click to select	
Synergies achieved at FAB level or other MS	Click to select	
Consultation with stakeholders	Click to select	
Decision-making process	Yes	ANSP internal. No specific cost-benefit analyses available.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases of flight>
Safety	Yes	Existing radars have reached end of life. Replacing these with a new MSSR is an effective solution. Increase safety with better performance.	01.01.2021	
Environment	Click to select			
Capacity	Click to select			
Cost efficiency	Yes	Replacement of technology reduce maintenance costs.	01.01.2021	

<b>Name of capex 4</b>	<b>VCS to small size airports</b>			
Description	Renewal VCS of small size airports			
Accountable entity	Finavia			

Justification of the cost, nature and contribution		
Differentiation	Overhaul of existing system	
Common project	Click to select	
Network Strategy Plan	Click to select	
Ref. to European ATM MP or NSP		
Joint investment	Click to select	
Synergies achieved at FAB level or other MS	Click to select	
Consultation with stakeholders	Click to select	
Decision-making process	Yes	ANSP internal. No specific cost-benefit analyses available.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases of flight>
Safety	Yes	Existing voice communication software have reached end of life. Replacing these with a new VCS is an effective solution. Increase safety with better	01.01.2016	
Environment	Click to select			
Capacity	Click to select			
Cost efficiency	Yes	Renewal of voice communication software technology reduce maintenance costs.	01.01.2016	

Name of investment	Total CAPEX for the project	Planned Amount of Capital Expenditures (€)					Lifecycle (Amortisation period in years)	Allocation en route / terminal ANS (%)	Planned date of entry into operation (IOC / FOC dates)
		2015	2016	2017	2018	2019			
ILS/DME renewal	15 650 000	1 950 000	2 250 000	1 700 000	1 700 000	1 700 000	20	100%T	31.12.2022
WAM/ADS-B	5 114 000	1 968 000					10	100%R	31.12.2016
MSSR-renewal to EFHK, EFRO, EFTP, EFKU and EFJY	8 500 000	1 700 000	1 700 000		1 700 000	1 700 000	20	100%R	31.12.2020
VCS to small size airports	850 000	850 000					10	100%T	31.12.2015
Sub-total of main capex above (1)	30 114 000	6 468 000	3 950 000	1 700 000	3 400 000	3 400 000			
Sub-total other Capex (2)									
<b>Total capex (1) + (2)</b>	<b>30 114 000</b>	<b>6 468 000</b>	<b>3 950 000</b>	<b>1 700 000</b>	<b>3 400 000</b>	<b>3 400 000</b>			

Additional comments

**LGS**

Number of capex	4			
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<b>Name of capex 1</b>	<b>PBN implementation project</b>			
Description	Analysis of the existing airspace structure of Riga FIR, development, validation and implementation of PBN air space elements and procedures.			
Accountable entity	LGS			

Justification of the cost, nature and contribution		
Differentiation	Overhaul of existing system	Replacement
Common project	No	

Network Strategy Plan	Yes	Ensuring capacity for both current and future demand in an airspace with frequent ATFM-regulations. The project enables a flexible airspace structure combined with flexible and proactive capacity management in line with the Network Strategy Plan 2012 - 2019.
Ref. to European ATM MP or NSP		ESSIP Objectives and links with European ATM Master Plan: NAV03, NAV10; ENV-01 - CDA techniques. Airspace design enables CDO/CCO to a larger extent than in the current operation. AOM-21: New Airspace
Joint investment	No	
Synergies achieved at FAB level or other MS	Click to select	
Consultation with stakeholders	Yes	The decision has been made by the LGS Board after consultation with our customers
Decision-making process	Yes	The decision has been made by the LGS Board after consultation with our customers

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes	1. Reduce the number of incidents related to airspace design and volume. 2. Reducing known interface interference challenges in specific areas segregate	November 2016	
Environment	Yes	1. New airspace and route design will contribute to reduced CO2 emissions and noise reduction. 2. The target is 5% reduction per flight	November 2016	
Capacity	Yes	1. Airspace design will enable a traffic increase compared to 2013. 2. This will be adapted with implementing new GNSS technology. The target is reduced	November 2016	
Cost efficiency	Yes	1. It will enable an increase in airspace capacity and standardize and streamline service provision. 2. Enable increased traffic volume without	November 2016	

<b>Name of capex 2</b>	<b>Communication General</b>			
Description	Implementation of ENHANCE AMHS Capability			
Accountable entity	LGS			
Justification of the cost, nature and contribution				
Differentiation	Overhaul of existing system	Upgrade		
Common project	No			
Network Strategy Plan	Yes	In application of Article 4 of Commission Regulation (EC) No 552/2004, compliance with the essential requirements for interoperability shall be presumed for AMHS systems, together with the associated procedures, that meet the AMHS Community Specification.		
Ref. to European ATM MP or NSP		The aim of the project is to enhance the existing AMHS functionality by adding new functions according to the requirements of the ESSIP (COM10-ASP03) and ATM Masterplan (CTE-C10).		
Joint investment	No			
Synergies achieved at FAB level or other MS	Click to select			
Consultation with stakeholders	Yes	The final decision will be made by the LGS Board after consultation with our customers		
Decision-making process	Yes	The final decision will be made by the LGS Board after consultation with our customers		

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Yes	Project under establishment. Benefits resulting from the application of a harmonised set of safety requirements.	December 2018	
Environment	Yes	Project under establishment. Reduction of power consumption and heating emission.	December 2018	
Capacity	Yes	Project under establishment		
Cost efficiency	Yes	Project under establishment. Use of de-facto COTS messaging systems will reduce the cost of messaging services and support any kind of message	December 2018	

<b>Name of capex 3</b>	<b>A-SMGCS modernization</b>			
Description	A-SMGCS modernization with „Follow-the-green“ concept			
Accountable entity	LGS			
Justification of the cost, nature and contribution				
Differentiation	Overhaul of existing system	Replacement		
Common project	No			
Network Strategy Plan	Yes	Ensuring safety, environment protection and capacity for both current and future demand		
Ref. to European ATM MP or NSP		LSSIP Objectives: AOP05 OI Steps: AOM-0601, AOM-0602-A, AOM-0602-B, AO-0501		
Joint investment	No			
Synergies achieved at FAB level or other MS	Click to select			
Consultation with stakeholders	Yes	The decision has been made by the LGS Board after consultation with our customers.		
Decision-making process	Yes	The decision has been made by the LGS Board after consultation with our customers.		

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	Click to select	1. Reduce the number of incidents related to RWY incursions. 2. Establishment of integrated system providing ATCOs with the information to	November 2017	
Environment	Click to select	1. The better traffic management on ground will contribute to reduced CO2 emissions and noise reduction.	November 2017	
Capacity	Click to select	1. Use of this system/concept will enable a capacity increase compared to 2013. 2. This will be adapted with implementing new technology. The target is	November 2017	
Cost efficiency	Click to select	1. It will enable an increase in capacity and standardize and streamline service provision. 2. Enable increased traffic volume without corresponding staff	November 2017	

<b>Name of capex 4</b>	<b>Collaborative Decision Making (CDM)</b>			
Description	Collaborative Decision Making (CDM) implementation in Riga airport			
Accountable entity	LGS			
Justification of the cost, nature and contribution				

Differentiation	<i>Overhaul of existing system</i>	Replacement
Common project	<i>No</i>	
Network Strategy Plan	<i>Yes</i>	Ensuring capacity for both current and future demand in an airspace and on ground. Its aim is to increase the "Riga" airport capacity by developing and implementing centralized information system ensuring harmonized take-off – landing decision making. It includes
Ref. to European ATM MP or NSP		LSSIP Objectives: AOP05 OI Steps: AO-0501, AO-0601, AO-0602, AO-0603, DCB-0301, DCB-0302
Joint investment	<i>No</i>	
Synergies achieved at FAB level or other MS	<i>Click to select</i>	
Consultation with stakeholders	<i>Yes</i>	The decision has been made by the LGS Board after consultation with our customers.
Decision-making process	<i>Yes</i>	The decision has been made by the LGS Board after consultation with our customers.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	<i>Yes</i>	1. Airport operators, aircraft operators, ground handlers and air traffic control working together more efficiently and transparently and sharing data	November 2019	Various
Environment	<i>Yes</i>	1. New concept of operations will contribute to reduced CO2 emissions and noise reduction. 2. The target is 5% reduction pr flight.	November 2019	Various
Capacity	<i>Yes</i>	1. CDM will enable a traffic increase compared to 2013. 2. This will be adapted with implementing new technology. The target is reduced flight time	November 2019	Various
Cost efficiency	<i>Yes</i>	1. It will enable an increase in in airspace capacity and standardize and streamline service provision. 2. Enable increased traffic volume without	November 2019	Various

Name of investment	Total CAPEX for the project	Planned Amount of Capital Expenditures (€)					Lifecycle (Amortisation period in years)	Allocation en route / terminal ANS (%)	Planned date of entry into operation (IOC / FOC dates)
		2015	2016	2017	2018	2019			
<i>PBN implementation project</i>	6 800 000	1 682 000	2 126 000	1 131 000	1 080 000	781 000	Various	Various	Various
<i>Communication General</i>	2 647 000	177 000	277 000	392 000	334 000	1 468 000	Various	Various	Various
<i>A-SMGCS modernization</i>	8 840 000	1 484 000	1 514 000	2 536 000	1 513 000	1 792 000	Various	Various	Various
<i>Collaborative Decision Making (CDM)</i>	14 781 000	2 679 000	2 448 000	2 253 000	3 505 000	3 898 000	Various	Various	Various
Sub-total of main capex above (1)	33 068 000	6 022 000	6 365 000	6 312 000	6 432 000	7 939 000			
Sub-total other Capex (2)									
<b>Total capex (1) + (2)</b>	<b>33 068 000</b>	<b>6 022 000</b>	<b>6 365 000</b>	<b>6 312 000</b>	<b>6 432 000</b>	<b>7 939 000</b>			

Additional comments

## SECTION 3: PERFORMANCE TARGETS

Mapping between the template for the FAB performance plan and Annex II of the performance Regulation				
Structure of ANNEX II of the performance Regulation	Link with PRB Performance Plan template			
	Body of Performance Plan	Annex C For cost-efficiency		Other annexes
		RT ref.	AI ref.	
3. PERFORMANCE TARGETS AT LOCAL LEVEL	3			
3.1. Performance targets in each key performance area, set by reference to each key performance indicator as set out in Annex I, Section 2, for the entire reference period, with annual values to be used for monitoring and incentive purposes:	3.1			
3.2. Description and explanation of the consistency of the performance targets with the relevant Union-wide performance targets. When there is no Union-wide performance target, description and explanation of the targets within the plan and how they contribute to the improvement of the performance of the European ATM network.	3.1.(a).(i) 3.1.(a). (ii) 3.1.(a). (iii) 3.1.(a). (iv) 3.1.(b).(i) & (ii) 3.1.(b).(iii) 3.1.(c).(i) 3.1.(c).(ii) 3.1.(c).(iii) 3.1.(c).(iv) 3.1.(d).1.A 3.1.(d).2.A	RT 3 (4.1)	AI 4 e)	
3.3. Description and explanation of the interdependencies and trade-offs between the key performance areas, including the assumptions used to assess the trade-offs.	3.3			
3.4. Contribution of each air navigation service provider concerned to the achievement of the performance targets set for the functional airspace block in accordance with Article 5(2)(c)(ii).	3.1.(a).(i) 3.1.(a). (ii) 3.1.(a). (iii) 3.1.(a). (iv) 3.1.(b).(i) & (ii) 3.1.(b).(iii) 3.1.(c).(i) 3.1.(c).(ii) 3.1.(c).(iii) 3.1.(c).(iv)	RT 1 (All)	AI 4 a)	

## SECTION 3.1.(a): SAFETY KPA

Mapping between the template for the FAB performance plan and Annex II of the performance Regulation				
Structure of ANNEX II of the performance Regulation	Link with PRB Performance Plan template			
	Body of Performance Plan	Annex C For cost-efficiency		Other annexes
		RT ref.	AI ref.	
<b>(a) Safety</b>	3.1.(a)			
(i) level of effectiveness of safety management: local targets for each year of the reference period;	3.1.(a).(i)			
(ii) application of the severity classification based on the Risk Analysis Tool (RAT) methodology: local targets for each year of the reference period (percentage);	3.1.(a). (ii)			
(iii) just culture: local targets for the last year of the reference period.	3.1.(a). (iii)			
	3.1.(a). (iv) - Optional section - Additional Safety KPI(s)			



### 3 - PERFORMANCE TARGETS AT LOCAL LEVEL

#### 3.1 - Key Performance Areas

##### 3.1.(a) - Safety

##### 3.1.(a).(i) - Safety KPI #1: Level of Effectiveness of Safety Management

	2015 Target	2016 Target	2017 Target	2018 Target	2019 Target
Union-wide targets at State level	-	-	-	-	C

Union-wide targets at ANSP level	For Safety Culture MO	-	-	-	-	C
	For all other MOs	-	-	-	-	D

FAB level	<b>Regulatory authorities</b>	A	A	B	B	C
	Description of the consistency between local and Union-wide targets					
	Detailed justification in case of inconsistency					
	<b>ANSPs (for Safety Culture MO)</b>	C	C	C	C	C
	<b>ANSPs (for all other Mos)</b>	C	C	C	C	D
	Description of the consistency between local and Union-wide targets					
	Detailed justification in case of inconsistency					

Select Number of States >>	4
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National level	<i>Estonia</i>	B	B	B	C	C
	<i>Finland</i>	C	C	C	C	C
	<i>Latvia</i>	B	C	C	C	C
	<i>Norway</i>	A	A	B	B	C

Select Number of ANSPs for Safety Culture MO >>	4
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National level	<i>Avinor</i>	D	D	D	D	D
	<i>EANS</i>	C	C	C	C	C
	<i>Finavia</i>	C	C	C	C	C
	<i>LGS</i>	C	C	C	C	C

Select Number of ANSPs for all other MOs >>	4
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National level	<i>Avinor</i>	D	D	D	D	D
	<i>EANS</i>	C	C	C	C	D
	<i>Finavia</i>	C	C	C	C	D
	<i>LGS</i>	C	C	C	C	D

#### Additional comments

##### KPI – Level of Effectiveness of Safety Management (ESTONIA)

Estonia has been monitoring the level of Effectiveness of Safety Management (EoSM) as required since 2012. The result from the first monitoring year (2012) has shown that the service provider EANS has progressed more than Estonia Civil Aviation Administration in developing a satisfactory Safety Management System. The result from the first monitoring year (2012) has shown that the Estonian Civil Aviation Administration still has a lot of work to do in order to meet the targets for the second reference period.

Estonian Civil Aviation Authority has prepared a draft State Safety Programme and SSP implementation plan will be developed by the end of 2014. A timetable for the implementation of each management objective will be included into the plan.

Estonian Civil Aviation Administration will consider the starting point to be the scores from 2013 survey. Once the results from that survey are published, a plan as part of SSP implementation plan will be developed for each safety management objective area with an objective to reach at minimum the target levels set for second reference period.

Based on the results from 2012, EANS is in the lowest quarter among the ANSPs with a score of 64 while the highest score among the ANSPs was 89. Once the results from 2013 survey are available, a further plan will be developed to ensure the targets are achieved.

**KPI – Level of Effectiveness of Safety Management (Finland)**

Finnish State Safety Programme was implemented in April 2012 and it has been updated yearly. Currently FASP contains also two annexes, in Annex 1 the Finnish Aviation Safety Plan and in Annex 2 Finnish Safety Performance Indicators and Targets. FASP will be also considered in the next update of Aviation Act to make it compulsory for all aviation organisations to take into consideration safety indicators and respective safety targets in their operations. FASP contains descriptions regarding the applicable SMS requirements for different aviation organisations. For ANS the reference is naturally to EC regulation 1035/2011.

Finland has been monitoring the level of Effectiveness of Safety Management (EoSM) as required since 2012. The results of the EoSM survey from 2012 place Finnish Transport Safety Agency in the lowest quarter among the state NSAs with a score of 45 while the highest score among the state NSAs was 85. The ANSP Finavia ranked significantly better with a score of 78 while the highest was 89. This placed Finavia in the middle pack in the ANSP comparison.

Although the safety performance targets set in the regulation for EoSM in the second reference period are lower for NSAs than ANSPs, Finnish Transport Safety Agency aims to be in the highest quarter in the State NSA comparison. Finnish Transport Safety Agency will consider the starting point to be the scores from 2013 survey. Once the results from that survey are published, a plan will be developed for each safety management objective area with an objective to reach at minimum the target levels set for second reference period and to place in the top quarter in score comparison to other NSAs.

Based on the results from 2012, Finavia is already quite close to achieving the targets set for second reference period. Once the results from 2013 survey are available, a further plan will be developed to ensure the targets are achieved.

**KPI – Level of Effectiveness of Safety Management (Latvia)**

The following goals for RP2 were set based on the EASA questionnaires in 2013 and 2014 about the effectiveness of safety management at the state level, the criteria set for the assessment of each objective, and plans at the state level regarding the changes in the legal acts covering aviation safety oversight.

The major task in the upcoming years would be to improve the national legislation by describing responsibilities and accountabilities regarding implementation and continuous management of the State Safety Program, including improvements in the performance based safety risk oversight and enforcement mechanisms, in accordance with ICAO doc. 9859 and Annex 19 standards. Initial implementation of the State Safety program is planned by the end of 2014.

Separate safety actions take place regularly, like Runway Safety team meetings with the involvement of the interested parties and the CAA representatives as the observers. Safety Action Group activities within the CAA of Latvia allow for more enhanced risk management approach at the safety oversight level among various departments. Air navigation service provider's LGS safety management manual has been approved by the CAA and this manual is updated and improved on a continuous base, reflecting inefficiencies identified during safety oversight audit or considering changes in the aviation legislation.

**KPI – Level of Effectiveness of Safety Management (Norway)**

Norway has been monitoring the level of Effectiveness of Safety Management (EoSM) for the year 2012 and 2013, and will continue to do so in 2014. The result from the first monitoring year (2012) has shown that the service provider Avinor A/S has progressed significantly further than the Norwegian Civil Aviation Authority in developing a satisfactory Safety Management System. With regard to the targets for EoSM in the second reference period, Avinor A/S is already close to achieving the expected level set in Commission Decision

The result from the first monitoring year (2012) has shown that the Norwegian Civil Aviation Authority still has a lot of work to do in order to meet the targets for the second reference period. The Norwegian Civil Aviation Authority has prepared a gap-analysis and a timetable for the implementation of each management objective. The Norwegian Civil Aviation Authority has furthermore developed the framework for the State Safety Program, which will facilitate the implementation of the management objectives.

The Norwegian Civil Aviation Authority will develop the Safety Management System gradually, keeping a special focus on one management objective at a time.

In the table below is compiled an overview of the present level of EoSM on State- and ANSP level and the targets for the second reference period. The level of EoSM is defined as the minimum level of the effectiveness of safety management in each management objective.

3.1.(a).(ii) - Safety KPI #2: Application of the severity classification based on the Risk Analysis Tool (RAT) methodology

Ground Score		2015 Target	2016 Target	2017 Target	2018 Target	2019 Target
Union-wide targets	SMIs	-	-	>= 80%	-	100 %
	RIs	-	-	>= 80%	-	100 %
	ATM-S	-	-	>= 80%	-	100 %
FAB level	SMIs	95,00 %	95,00 %	95,00 %	95,00 %	95,00 %
	RIs	95,00 %	95,00 %	95,00 %	95,00 %	95,00 %
	ATM-S	50,00 %	62,50 %	85,00 %	87,50 %	100,00 %
Description of the consistency between local and Union-wide targets						
Detailed justification in case of inconsistency						

Select Number of ANSPs >> 4

National level	Avinor	SMIs	100,00 %	100,00 %	100,00 %	100,00 %	100,00 %
		RIs	100,00 %	100,00 %	100,00 %	100,00 %	100,00 %
		ATM-S	100,00 %	100,00 %	100,00 %	100,00 %	100,00 %
	EANS	SMIs	100,00 %	100,00 %	100,00 %	100,00 %	100,00 %
		RIs	100,00 %	100,00 %	100,00 %	100,00 %	100,00 %
		ATM-S	20,00 %	40,00 %	80,00 %	80,00 %	100,00 %
	Finavia	SMIs	100,00 %	100,00 %	100,00 %	100,00 %	100,00 %
		RIs	100,00 %	100,00 %	100,00 %	100,00 %	100,00 %
		ATM-S	20,00 %	40,00 %	80,00 %	80,00 %	100,00 %
	LGS	SMIs	80,00 %	80,00 %	80,00 %	80,00 %	80,00 %
		RIs	80,00 %	80,00 %	80,00 %	80,00 %	80,00 %
		ATM-S	60,00 %	70,00 %	80,00 %	90,00 %	100,00 %

Additional comments

Overall Score		2015 Target	2016 Target	2017 Target	2018 Target	2019 Target
Union-wide targets	SMIs	-	-	>= 80%	>= 80%	>= 80%
	RIs	-	-	>= 80%	>= 80%	>= 80%
	ATM-S	-	-	>= 80%	-	100 %
FAB level	SMIs	90,00 %	90,00 %	90,00 %	92,50 %	95,00 %
	RIs	80,00 %	85,00 %	90,00 %	92,50 %	95,00 %
	ATM-S	30,00 %	47,50 %	75,00 %	85,00 %	99,75 %
Description of the consistency between local and Union-wide targets						
Detailed justification in case of inconsistency						

Select Number of States >> 4

National level	Estonia	SMIs	80,00 %	80,00 %	80,00 %	90,00 %	100,00 %
		RIs	40,00 %	60,00 %	80,00 %	90,00 %	100,00 %
		ATM-S	20,00 %	40,00 %	80,00 %	90,00 %	100,00 %
	Finland	SMIs	100,00 %	100,00 %	100,00 %	100,00 %	100,00 %
		RIs	100,00 %	100,00 %	100,00 %	100,00 %	100,00 %
		ATM-S	20,00 %	40,00 %	80,00 %	80,00 %	100,00 %
	Latvia	SMIs	80,00 %	80,00 %	80,00 %	80,00 %	80,00 %
		RIs	80,00 %	80,00 %	80,00 %	80,00 %	80,00 %
		ATM-S	60,00 %	70,00 %	80,00 %	90,00 %	100,00 %
	Norway	SMIs	100,00 %	100,00 %	100,00 %	100,00 %	100,00 %
		RIs	100,00 %	100,00 %	100,00 %	100,00 %	100,00 %
		ATM-S	20,00 %	40,00 %	60,00 %	80,00 %	99,00 %

Additional comments

**KPI – RAT (Estonia)**

Estonia has been monitoring the application of the severity classification based on the Risk Analysis Tool (RAT) methodology since 2012 and will continue to do so in 2014.

EANS has applied the RAT methodology on all separation minima infringements and runway incursions since 2013.

The Estonian Civil Aviation Administration will start using the RAT methodology in 2015. The Estonian Civil Aviation Administration has planned for a gradual introduction of the tool throughout the second reference period depending also on the implementation and risk classification scheme of a new European Parliament and Council regulation on reporting, analysis and follow-up of occurrences in civil aviation.

**KPI – RAT (Finland)**

At the moment the procedure in Finland regarding use of RAT is that Finavia and Trafi convene twice a year to process all SMI and RI occurrences which have happened in Helsinki Airport and EFIN. 100% of these cases are processed via RAT.

As for the use of RAT for ATM specific occurrences, currently RAT is only used for some cases which are judged to possibly be of high severity. Only a small percentage of total ATM specific occurrences in EFHK and EFIN is processed via RAT.

**KPI-RAT (Latvia)**

RAT methodology has been applied by the ANSP, CAA of Latvia and the Transport Accident and Incident Investigation Body for ATM/ANS related safety occurrences. Further improvements in harmonisation of RAT methodology application would be desirable at the EU level.

**KPI – RAT (Norway)**

Norway has been monitoring the application of the severity classification based on the Risk Analysis Tool (RAT) methodology for the year 2012 and 2013, and will continue to do so in 2014.

Avinor A/S has applied the RAT methodology on all separation minima infringements, runway incursions and ATM-specific occurrences since 2012. They are at present time in line with the target for the second reference period.

The Norwegian Civil Aviation Authority will start using the RAT methodology in 2014. The Norwegian Civil Aviation Authority has planned for a gradual introduction of the tool throughout the second reference period.

3.1.(a).(iii) - Safety KPI #3: Just Culture

		2019 Target
FAB level	Regulatory authorities	Have you established a common FAB approach in certain areas for Just Culture improvements?
		NO
		If YES, please specify details and level of presence. If NO, please specify any impediments, intent for common FAB approach.
	ANSPs	Have you established a common FAB approach in certain areas for Just Culture improvements?
		YES
		If YES, please specify details and level of presence. If NO, please specify any impediments, intent for common FAB approach.
		NEFAB ANSPs have plans to further develop common basic ANS staff training to cover thorough introduction to Safety Management System. The common training material would then include Just culture-principles to be used all NEFAB ANSPs. The material will describe the purpose for investigations to find the reason behind the incident or occurrences instead of trying to find someone guilty as well the principle of confidentiality of reporting etc.

Number of States	4
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National level	Estonia	What actions have you undertaken to optimise Just Culture?
		<i>The State Safety Programme implementation plan will be developed by the end of 2014. The State Safety Programme implementation plan will address Just Culture policy issues and the need for further development in this area. A new European Parliament and Council regulation on reporting, analysis and follow-up of occurrences in civil aviation will also address just culture issues which will be taken account as well.</i>
	Finland	What actions have you undertaken to optimise Just Culture?
		<i>Finland considers its performance in the area of Just Culture to be at a good level. This evaluation is based on the result from previous Just Culture questionnaire and also on the fact that the number of reported occurrences has been steadily rising over the last years. As a result, no separate national plan for improvement of just culture is planned to be developed. Areas of improvement could be introduction of a requirement for the ANSP to publish a just culture policy and requirement for just culture issues to be included in training of authority and service provider staff.</i>
Latvia	What actions have you undertaken to optimise Just Culture?	
	<i>Efforts during RP1 included establishment of more harmonized approach towards safety occurrence reporting in accordance with Cabinet of Ministers regulation No 1033 about occurrence reporting in civil aviation. In light of the new regulation on reporting, it is planned to revise the national Cabinet of Ministers regulation No. 1033 about occurrence reporting in civil aviation, in order to elaborate and better facilitate various aspects of Just culture. Some basics of the just culture spirit have been rooted in various national legal acts. Based on the EASA Just culture questionnaire for RP1, specific amendments and additional requirements would have to be implemented in the national legislation. Through safety oversight processes and separate discussions with the ANSP stemming from EASA RP1 Just culture questionnaire, certain components of the just culture have been highlighted as important improvements for RP2. ANSP approval of the Safety Culture Manual laying down specifics of the ANSP approach towards achieving Just culture, is one such example. Systematic training of Competent Authority staff and the ANSP staff in Just culture aspects of reporting and policy implementation, subsequent evaluation of the effectiveness of such training would be important enablers. However, implementation of certain legal and judiciary solutions in the absence of appropriate union wide requirements might prove challenging.</i>	
		What actions have you undertaken to optimise Just Culture?

	<b>Norway</b>	<p>Norway considers its performance in the area of Just Culture to be at a reasonable level. This evaluation is based on the result from previous Just Culture questionnaire and also on the fact that the number of reported occurrences has been steadily rising over the last years.</p> <p>Areas of improvement that will be taken is the introduction of a requirement for the State to publish a just culture policy and requirement for just culture issues to be included in training of authority and service provider staff. Further will the establishment of a State Safety Program address Just Culture policy issues and the need for further development in this area.</p>
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Number of ANSPs	4
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<b>National level</b>	<b>Avinor</b>	<p><b>What actions have you undertaken to optimise Just Culture?</b></p> <p>The main focus has been on having an open and constructive dialogue with the unions and handling the operational reports in a trustworthy way. Our focus now is to document our Just Culture. The major thing missing is to finalize our Just Culture Policy document. The policy will be signed by top management and include issues that remain to be put in writing. This is foreseen to be finalized in 2014.</p> <p>For RP2 we plan to introduce automated reporting. In addition, we would welcome an agreement between ANSPs and judicial/police authorities to ensure protection of reported incident data and involved individuals.</p>
	<b>EANS</b>	<p><b>What actions have you undertaken to optimise Just Culture?</b></p> <p>EANS has written Just Culture policy together with Safety Policy into Safety Management Manual. EANS reporting system works and occurrences are investigated. EANS plan for RP2 is to promote Just Culture throughout the company periodically using different approaches and methods</p>
	<b>Finavia</b>	<p><b>What actions have you undertaken to optimise Just Culture?</b></p> <p>The following improvements have been planned to be completed during year 2014:</p> <ol style="list-style-type: none"> <li>ANSP.P.2: A detailed description of what is considered to be unacceptable behavior will be included in Finavia's SMS documentation. Entity/person responsible for this action: Risk Management / Heikki Pöllänen, Safety Manager. Target date: By the end of 2014.</li> <li>ANSP.P.3: Finavia will include a clear statement in its Just Culture policy that no disciplinary action will be taken regarding the reporter for self-reported occurrences (except for the special cases stated in the Aviation Law). Entity/person responsible for this action: Risk Management / Heikki Pöllänen, Safety Manager. Target date: By the end of 2014.</li> <li>ANSP.P.4: The Risk Management unit will start up negotiations with the Finavia's Legal unit that would it be possible to publish an official statement which guarantees that Finavia will provide legal support for its own staff in case of prosecution / legal action related to a safety occurrence. Note: Possible restrictions may apply. Entity/person responsible for this action: Risk Management / Heikki Pöllänen, Safety Manager. Target date: By the end of 2014.</li> <li>ANSP.P.11: The Risk Management unit will examine the possibilities to include regular briefings about the Just Culture in its monthly Safety Bulletin or similar type of publication. Entity/person responsible for this action: Risk Management / Seppo Simola, Safety Manager. Target date: By the end of 2014.</li> <li>ANSP.O.6: The Risk Management unit will start up negotiations with the Finavia's Communication unit that would it be possible to include statistical feedback on occurrence reports in the public annual report of Finavia. Entity/person responsible for this action: Risk Management / Heikki Pöllänen, Safety Manager. Target date: By the end of Q1/2015. Note: The abbreviations (i.e. ANSP.P.2) refers to ANSP Just Culture Questionnaire.</li> </ol>
		<p><b>What actions have you undertaken to optimise Just Culture?</b></p>

	<b>LGS</b>	<i>On October 2013 the LGS adopted the Safety Culture Manual which defines company's main values of safety and just culture. It determines how the elements of safety culture shall be introduced, measured and maintained. Additionally, at the moment the LGS is elaborating a plan on introduction of the above mentioned procedure. It will include a list of particular tasks for the next few years.</i>
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<b>Additional comments</b>

## SECTION 3.1.(b): ENVIRONMENT KPA

Mapping between the template for the FAB performance plan and Annex II of the performance Regulation				
Structure of ANNEX II of the performance Regulation	Link with PRB Performance Plan template			
	Body of Performance Plan	Annex C For cost-efficiency		Other annexes
		RT ref.	AI ref.	
<b>(b) Environment</b>	3.1.(b)			
(i) description of the process to improve route design;	3.1.(b).(i) & (ii)			
(ii) average horizontal <i>en route</i> flight efficiency of the actual trajectory.				
	3.1.(b).(iii) - Optional section - Additional Environment KPI(s)			



### 3.1.(b) - Environment

#### 3.1.(b).(i) & (ii) - Environment KPI #1: Horizontal en route flight efficiency (KEA)

	2015 Value	2016 Value	2017 Value	2018 Value	2019 Target
<b>Union-wide targets</b>	-	-	-	-	2,60 %

<b>FAB reference values</b>					
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FAB level	
Description of the consistency between FAB targets and FAB reference values	Targets at the FAB level will be elaborated once the FAB reference values become available.
Detailed justification in case of inconsistency	
ANSP contribution to local targets	Largest contribution of the NEFAB ANSPs is planned in 2015 after implementation of the free route airspace with appropriate efficient connectivity between the terminal and en-route flight trajectories.

Description of the process to improve route design
<i>Overall contribution of each NEFAB ANSP is projected through implementation of the free route airspace above FL285 in November of 2015 within respective FIR. Cooperation with Danish and Swedish FAB on FRA implementation across wider region in Northern Europe, would facilitate even more optimum flight trajectories for the airspace users.</i>

Additional comments

## SECTION 3.1.(c): CAPACITY KPA

Mapping between the PRB FAB performance plan template and the Annex II of EU Regulation 390/2013				
Structure of ANNEX II of Regulation 390/2013	Link with PRB template			
	Level 1' FAB PP	Level2' FAB PP - Annex C		FAB PP Other annexes
		RT ref.	AI ref.	
<b>(c) Capacity</b>	3.1.(c)			
(i) minutes of average <i>en route</i> ATFM delay per flight;	3.1.(c).(i)			
(ii) minutes of average terminal ATFM arrival delay per flight;	3.1.(c).(ii)			
(iii) the capacity plan established by the air navigation service provider(s).	3.1.(c).(iii)			
	3.1.(c).(iv) - Optional section - Additional Capacity KPI(s)			

### 3.1.(c) - Capacity

#### 3.1.(c).(i) - Capacity KPI #1: En route ATFM delay per flight

	2015 Value	2016 Value	2017 Value	2018 Value	2019 Target
<b>Union-wide targets</b>	0,50	0,50	0,50	0,50	0,50

<b>FAB reference values</b>					
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<b>FAB level</b>					
Description of the consistency between FAB targets and FAB reference values					
Detailed justification in case of inconsistency					

Select Number of ANSPs >>	4
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		2015	2016	2017	2018	2019
<b>National level</b>	<b>Avinor</b>	0,08	0,08	0,08	0,08	0,08
	ANSP contribution to FAB targets	<p>Norway's target for en route ATFM delay in the first reference period was 0.05 min per flight. This capacity target was set against the backdrop of a historical trend. Such an ambitious target is probably in conflict with the cost optimum capacity.</p> <p>In setting the capacity target for the second reference period the Norwegian Civil Aviation Authority has considered the indicative values presented in the draft for Commission Decision on EU-wide target on the 51st Single Sky Committee meeting. Although the indicative values have been removed in latter drafts, the Norwegian Civil Aviation Authority believes that the indicative values give some indications on what the cost optimum capacity is. The indicative value for NEFAB is 0.13.</p> <p>The Norwegian Civil Aviation Authority has furthermore been in contact with Avinor A/S regarding the capacity target. In accordance with Avinor A/S the Norwegian air traffic network is so complex and interdependent that an en route ATFM delay of 0.13 would be unacceptable for the airspace users. This is based on the fact that a large portion of the overall traffic is transition flights with little leeway in terms of delays. Avinor A/S has made some preliminary calculations that suggest that 0.08 min per flight is the upper threshold of what would be acceptable for the airspace user.</p> <p>Avinor A/S has also presented this figure to the biggest Norwegian airlines. The airlines didn't have any objections against a more lenient capacity target (compared to first reference period), provided that this results in cost savings.</p> <p>Before the Norwegian Civil Aviation Authority can decide on an appropriate capacity target, some calculations has to be made which show how a more lenient capacity target will affect Avinor A/S cost base. The proposed capacity target may therefore be revised depending on any additional information we might receive.</p> <p>Based on the best available information, the Norwegian Civil Aviation Authority proposes an en route ATFM delay of 0.08 min per flight.</p>				
	<b>EANS</b>	0,13	0,13	0,14	0,14	0,14
	ANSP contribution to FAB targets	Estonia is aiming for the given reference value in capacity and it is in line with NEFAB wide target.				
	<b>Finavia</b>	0,13	0,13	0,14	0,14	0,14
ANSP contribution to FAB targets	<p>Finland is aiming for the given reference value in capacity. During RP1 capacity target for Finland was extremely challenging almost 0,0 min per flight which is far from cost-optimum capacity. This would lead to overcapacity in the periods of low traffic.</p> <p>Despite of the fact that Finland is aiming for less challenging RP2 capacity targets than in RP 1, Finland is still well below European average en-route ATFM delay.</p>					
<b>LGS</b>	0,04	0,04	0,04	0,04	0,04	
ANSP contribution to FAB targets	LARA system is planned to be implemented in 2014 in order to improve airspace booking efficiency and the airspace availability to other airspace users. Currently and for the foreseeable future, Latvia is below European average en-route ATFM delay, and is in line with NEFAB targets.					

Additional comments
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3.1.(c).(ii) - Capacity KPI #2: Terminal and airport ANS ATFM arrival delay per flight

Number of States	4
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<b>Estonia</b>	2015 Value	2016 Value	2017 Value	2018 Value	2019 Target
<b>National level</b>	0	0	0	0	0
Contribution to the improvement of the European ATM network performance	The terminal and airport ANS ATFM arrival delay has been monitored in the first reference period. At national level Estonia had a delay of 0.00 min per flight in 2012 and in 2013. EANS has, at present time, not presented a proposal for targets for ANS ATFM arrival delay for the second reference period. The Estonian Civil Aviation Administration has limited knowledge about whether the ANS ATFM arrival delay 0.00 min per flight can be maintained and at what cost. The Estonian Civil Aviation Administration preliminary proposal is to maintain current situation and we note that the targets will be probably revised once we receive more input on this subject.				

Number of airports	2
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Airport level	<b>EETN (LENNART MERI TALLINN)</b>	0	0	0	0	0
	Airport contribution to national targets					
	<b>EETU (TARTU)</b>	0	0	0	0	0
	Airport contribution to national targets					

Additional comments					

<b>Finland</b>	2015 Value	2016 Value	2017 Value	2018 Value	2019 Target
<b>National level</b>	0,13	0,13	0,14	0,14	0,14
Contribution to the improvement of the European ATM network performance	The terminal and airport ANS ATFM arrival delay has been monitored in the first reference period. There has been a big variation in Finland over the years. Therefore NSA Finland has set a target which is challenging but achievable.				

Number of airports	1
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Airport level	<b>EFHK (HELSINKI-VANTAA)</b>	0,13	0,13	0,14	0,14	0,14
	Airport contribution to national targets	EFHK is the only airport in the scope. Check above.				

Additional comments					
Comparison: 2012: 0,64 2013: 0,04					

<b>Latvia</b>	2015 Value	2016 Value	2017 Value	2018 Value	2019 Target
<b>National level</b>	0,04	0,04	0,04	0,04	0,04
Contribution to the improvement of the European ATM network performance					

Number of airports	1
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Airport level	<b>EVLA (LIEPAJA)</b>					
	Airport contribution to national targets					
	<b>EVRA (RIGA)</b>	0,04	0,04	0,04	0,04	0,04
	Airport contribution to national targets	During the RP1 sufficient capacity has been provided to meet the demand. EVRA airport is the only airport in scope for the performance and charging regulation schemes.				
<b>EVVA (VENTSPILS)</b>						
Airport contribution to national targets						

Additional comments					
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EVLA and EVVA are exempt from the performance and charging schemes.

**Norway**

	2015 Value	2016 Value	2017 Value	2018 Value	2019 Target
<b>National level</b>	0,63	0,63	0,63	0,63	0,63
Contribution to the improvement of the European ATM network performance	<p>The terminal and airport ANS ATFM arrival delay has been monitored in the first reference period. At national level Norway had a delay of 0.66 min per flight in 2012 and a delay of 0.63 min per flight in 2013. Avinor A/S has, at present time, not presented a proposal for targets for ANS ATFM arrival delay for the second reference period. The Norwegian Civil Aviation Authority has limited knowledge about whether the ANS ATFM arrival delay can be reduced beyond the current level and at what cost. The Norwegian Civil Aviation Authority preliminary proposal is therefore a flat development, ie no further delays compared to 2013. We note that the targets probably will be revised once we receive more input on this subject.</p>				

Number of airports	4
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Airport level	<b>ENBR (BERGEN/FLESLAND)</b>				
	Airport contribution to national targets				
	<b>ENGM (OSLO/GARDERMOEN)</b>				
Airport contribution to national targets					
	<b>ENVA (TRONDHEIM/VAERNES)</b>				
Airport contribution to national targets					
	<b>ENZV (STAVANGER/SOLA)</b>				
Airport contribution to national targets					

Additional comments

### 3.1.(c).(iii) - Capacity Plans

In order to avoid duplication, Member States will not be requested to attach ANSPs capacity plans when submitting the performance plans, for as long as they are already available to the PRB and the Commission. In any case, they are an integral part of the FAB performance plans.

## SECTION 3.1.(d): COST-EFFICIENCY KPA

Mapping between the template for the FAB performance plan and Annex II of the performance Regulation				
Structure of ANNEX II of the performance Regulation	Link with PRB Performance Plan template			
	Body of Performance Plan	Annex C For cost-efficiency		Other annexes
		RT ref.	AI ref.	
<b>(d) Cost-efficiency</b>	3.1.(d)			
(i) determined costs for <i>en route</i> and terminal air navigation services set in accordance with the provisions of Article 15(2)(a) and (b) of Regulation (EC) No 550/2004 and in application of the provisions of Implementing Regulation (EU) No 391/2013 for each year of the reference period;	3.1.(d).1.A 3.1.(d).2.A			
(ii) <i>en route</i> and terminal service units forecast for each year of the reference period;	3.1.(d).1.A 3.1.(d).2.A 3.1.(d).1.C 3.1.(d).2.C	RT 1 (5.4)		
(iii) as a result, the determined unit costs for the reference period;	3.1.(d).1.A 3.1.(d).2.A	RT 1 (5.5)		
(iv) description and justification of the return on equity of the air navigation service providers concerned, as well as on the gearing ratio and on the level/composition of the asset base used to calculate the cost of capital comprised in the determined costs;		RT 1 (3.1-3.4, 3.6)	AI 1 e)	
(v) description and explanation of the carry-overs from the years preceding the reference period;		RT 1 (3.1-3.4, 3.6)	AI 3 c), d), e)	
(vi) description of economic assumptions, including:  — inflation assumptions used in the plan as compared to an international source such as the IMF (International Monetary Fund) Consumer Price Index (CPI) for the forecasts and Eurostat Harmonised Index of Consumer Price for the actuals. Justification of any deviation from these sources,  — assumptions underlying the calculation of pension costs comprised in the determined costs, including a description on the relevant national pension regulations and pension accounting regulations in place and on which the assumptions are based, as well as information whether changes of these regulations are anticipated,	3.1.(d).1.B  3.1.(d).2.B	RT 1 (5.1-5.2)		
— interest rate assumptions for loans financing the provision of air navigation services, including relevant information on loans (amounts, duration, etc.) and explanation for the (weighted) average interest on debt used to calculate the cost of capital pre tax rate and the cost of capital comprised in the determined costs,		RT 1 (3.7)	AI 4 b)	
— adjustments beyond the provisions of the International Accounting Standards			AI 4 c)	
			AI 1 Item c)	



(vii) if applicable, description in respect to the previous reference period of relevant events and circumstances set out in Article 14(2)(a) of Implementing Regulation (EU) No 391/2013 using the criteria set out in Article 14(2)(b) of Implementing Regulation (EU) No 391/2013 including an assessment of the level, composition and justification of costs exempt from the application of Article 14(1)(a) and (b) of Implementing Regulation (EU) No 391/2013;		RT 3 (3.1-3.12)	AI 3 b)	
(viii) if applicable, a description of any significant restructuring planned during the reference period including the level of restructuring costs and a justification for these costs in relation to the net benefits to the airspace users over time;		RT 3 (4.1)	AI 4 d)	
(ix) if applicable, restructuring costs approved from previous reference periods to be recovered.		RT 3 (4.1)	AI 4 e)	

**IMPORTANT NOTE FOR SECTION 3.1.(d) – Cost-efficiency:**

The data and justifications for the cost-efficiency targets at local level are split into two distinct parts of the performance plan, aiming at optimising workload and avoiding duplication of reporting. They comprise:

1. In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
  - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;:
  - The entries and justification requiring data from external sources i.e.
    - The traffic forecast used and, if applicable, their justification against STATFOR
    - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
  - The local alert thresholds, if any, and their justification.
  - A presentation of the consolidation of the targets at FAB level.
2. In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities...), as follows:
  - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;

### 3.1.(d) - Cost Efficiency

#### List of En Route Charging Zones

Number of en route charging zones	4
1	<i>Estonia</i>
2	<i>Finland</i>
3	<i>Latvia</i>
4	<i>Norway</i>

#### List of Terminal Charging Zones

Number of terminal charging zones	4
1	<i>Estonia</i>
2	<i>Finland</i>
3	<i>Latvia</i>
4	<i>Norway</i>

3.1.(d).1 - En Route Charging Zone #1

A - Cost efficiency KPI #1: Determined unit cost (DUC) for en route ANS

in EUR

	Historical data (actual 2009-2013, latest 2014 forecast)						RP2 Performance Plan					RP1 PP	Average pct variation p.a.			
	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D	2014 D	2009A-2019D	2014F-2019D	2011A-2019D	2014D-2019D
<b>Estonia</b>																
Local currency (Nominal and 2012 prices)																
Total en route actual/forecast/determined costs in nominal terms (in national currency)	13 715 000	14 935 000	14 888 000	16 689 000	17 052 000	19 182 000	22 262 000	23 571 000	24 508 000	25 698 000	26 635 500	16 613 000	6,9%	6,8%	7,5%	9,9%
Inflation %		2,70 %	5,10 %	4,20 %	3,20 %	2,80 %	3,00 %	3,10 %	3,00 %	3,00 %	3,00 %					
Inflation index (Base = 100 in 2012)	88,9	91,3	96,0	100,0	103,2	106,1	109,3	112,7	116,0	119,5	123,1	106,1	3,3%	3,0%	3,2%	3,0%
Total en route actual/forecast/determined costs in real terms (in national currency at 2012 prices)	15 425 409	16 355 946	15 513 296	16 689 000	16 523 256	18 080 943	20 372 960	20 922 294	21 120 391	21 500 877	21 636 175	15 659 346	3,4%	3,7%	4,2%	6,7%
Total en route Service Units (TSU)	632 000	627 000	704 000	725 000	741 000	747 000	774 000	801 000	827 000	855 000	886 000	749 000	3,4%	3,5%	2,9%	3,4%
Real en route UCs/DUCs (in national currency at 2012 prices)	24,41	26,09	22,04	23,02	22,30	24,20	26,32	26,12	25,54	25,15	24,42	20,91	0,0%	0,2%	1,3%	3,2%
€2012 prices																
2012 average exchange rate (1EUR=)	1	1	1	1	1	1	1	1	1	1	1	1				
Total en route costs in real terms (in € <sub>2012</sub> prices)	15 425 409	16 355 946	15 513 296	16 689 000	16 523 256	18 080 943	20 372 960	20 922 294	21 120 391	21 500 877	21 636 175	15 659 346	3,4%	3,7%	4,2%	6,7%
Trend in total en route costs in real terms %n/n-1		6,0%	-5,2%	7,6%	-1,0%	9,4%	12,7%	2,7%	0,9%	1,8%	0,6%					
Real en route UCs/DUCs (in € <sub>2012</sub> prices)	24,41	26,09	22,04	23,02	22,30	24,20	26,32	26,12	25,54	25,15	24,42	20,91	0,0%	0,2%	1,3%	3,2%
Trend in real en route UCs/DUCs (in € <sub>2012</sub> prices) %n/n-1		6,9%	-15,5%	4,5%	-3,1%	8,5%	8,7%	-0,8%	-2,2%	-1,5%	-2,9%					
€2009 prices																
Inflation index (Base = 100 in 2009)	100,00	102,70	107,94	112,47	116,07	119,32	122,90	126,71	130,51	134,43	138,46	119,32				
2009 average exchange rate (1EUR=)	1	1	1	1	1	1	1	1	1	1	1	1				
Total en route costs in real terms (in € <sub>2009</sub> prices)	13 715 000	14 542 356	13 793 142	14 838 481	14 691 115	16 076 081	18 113 954	18 602 376	18 778 507	19 116 804	19 237 100	13 922 997	3,4%	3,7%	4,2%	6,7%
Trend in total en route costs in real terms %n/n-1		6,0%	-5,2%	7,6%	-1,0%	9,4%	12,7%	2,7%	0,9%	1,8%	0,6%					
Real en route UCs/DUCs (in € <sub>2009</sub> prices)	21,70	23,19	19,59	20,47	19,83	21,52	23,40	23,22	22,71	22,36	21,71	18,59	0,0%	0,2%	1,3%	3,2%
Trend in real en route UCs/DUCs (in € <sub>2009</sub> prices) %n/n-1		6,9%	-15,5%	4,5%	-3,1%	8,5%	8,7%	-0,8%	-2,2%	-1,5%	-2,9%					

Description of the consistency between local and Union-wide targets

As Estonian ANS has been the most efficient ANSP for recent years in Europe and it has relatively difficult starting point for cost-efficiency trend target for reference period 2. It is important to note that Estonian determined unit cost for en route air navigation services is already well below the average EU wide determined unit cost for en route air navigation services. Real en route costs will increase to do joining with the Eurocontrol as Eurocontrol's cost are included into costbase. The second reason for growing costs are related to implementing of European Commission regulations (for example Data Link and systems upgrading). Estonian living standard cost are expected to increase (low starting point shown in the different benchmarking reports). Growing costs are also driven by need to move towards the unified living standards with well developed countries to avoid losing employees going abroad to work for higher salaries. This is common concern in every branch of economy in Estonia and needs special concern from State in coming years.

**B - Inflation assumptions**

<b>Estonia</b>	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Inflation %				4,20 %	3,20 %	2,80 %	3,00 %	3,10 %	3,00 %	3,00 %	3,00 %
Inflation index (2012=100)				100,00	103,20	106,09	109,27	112,66	116,04	119,52	123,11
Eurostat HICP (actuals) and IMF CPI (forecasts)				0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
Inflation index (2012=100) HICP and IMF				100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00
Difference in percentage points					0,03	0,03	0,03	0,03	0,03	0,03	0,03
Cumulative difference in percentage points					0,03	0,06	0,09	0,13	0,16	0,20	0,23
Justification and data source in case of deviation from inflation references	Inflation forecasts have been taken from September 2013 Forecast of the Ministry of Finance of Estonia ( <a href="http://www.fin.ee/official-statistics">http://www.fin.ee/official-statistics</a> ). Forecast of the Ministry of Finance were the most updated forecast in time of completion of Performance Plan and the Ministry of Finance has first-hand knowledge of national conditions.										

**C - Service Units forecast for en route**

<b>Estonia</b>	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Total en route service units (TSU)				725 000	741 000	747 000	774 000	801 000	827 000	855 000	886 000
Year on Year variation TSU					2,2%	0,8%	3,6%	3,5%	3,2%	3,4%	3,6%
Baseline	STATFOR en route service units forecast (Baseline scenario)			0	0	0	0	0	0	0	0
	Year on Year variation TSU STATFOR										
	Difference in percentage points										
	Cumulative difference in percentage points										
Low	STATFOR en route service units forecast (Low scenario)			0	0	0	0	0	0	0	0
	Year on Year variation TSU STATFOR										
	Difference in percentage points										
	Cumulative difference in percentage points										
Explanation of the differences (if any), justification, rationale and source	Estonia has decided to use for traffic assumption STATFOR baseline ( February 2014). It is expected that baseline forecast would be more realistic.										

**D - Alert thresholds (en route service units)**

<b>Estonia</b>	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Local thresholds							10 %	10 %	10 %	10 %	10 %
Local thresholds set by the European Commission							10 %	10 %	10 %	10 %	10 %
Detailed justification in case of deviation	No deviation.										

**IMPORTANT NOTE**

The data and justifications for the cost-efficiency targets at local level are split into two distinct parts of the performance plan, aiming at optimising workload and avoiding duplication of reporting. They comprise:

- In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
  - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;
  - The entries and justification requiring data from external sources i.e.
    - The traffic forecast used and, if applicable, their justification against STATFOR
    - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
  - The local alert thresholds, if any, and their justification.
  - A presentation of the consolidation of the targets at FAB level.
- In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities...), as follows:
  - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
  - The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation.

**Annex C forms an integral part of the performance plan and will be used to carry out the assessment of the performance plan.**

3.1.(d).1 - En Route Charging Zone #2

A - Cost efficiency KPI #1: Determined unit cost (DUC) for en route ANS

in EUR

	Historical data (actual 2009-2013, latest 2014 forecast)						RP2 Performance Plan					RP1 PP	Average pct variation p.a.				
	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D	2014 D	2009A-2019D	2010A-2019D	2011A-2019D	2012A-2019D	
<b>Finland</b>																	
Local currency (Nominal and 2012 prices)																	
Total en route actual/forecast/determined costs in nominal terms (in national currency)	30 022 065	29 285 087	41 017 857	45 049 783	46 597 000	45 674 992	46 819 518	46 964 188	47 110 912	47 256 690	47 406 524	47 430 000	4,7%	0,7%	1,8%	0,0%	
Inflation %		1,70 %	3,30 %	3,20 %	2,20 %	3,00 %	2,20 %	2,00 %	2,00 %	2,00 %	2,00 %						
Inflation index (Base = 100 in 2012)	92,2	93,8	96,9	100,0	102,2	105,3	107,6	109,7	111,9	114,2	116,5	105,3	2,4%	2,0%	2,3%	2,0%	
Total en route actual/forecast/determined costs in real terms (in national currency at 2012 prices)	32 549 291	31 219 543	42 330 428	45 049 800	45 593 933	43 390 071	43 519 903	42 798 410	42 090 313	41 392 701	40 709 748	45 042 735	2,3%	-1,3%	-0,5%	-2,0%	
Total en route Service Units (TSU)	727 050	739 502	832 500	790 296	770 452	785 000	807 000	825 000	843 000	862 000	881 000	940 000	1,9%	2,3%	0,7%	-1,3%	
Real en route UCs/DUCs (in national currency at 2012 prices)	44,77	42,22	50,85	57,00	59,18	55,27	53,93	51,88	49,93	48,02	46,21	47,92	0,3%	-3,5%	-1,2%	-0,7%	
€2012 prices																	
2012 average exchange rate (1EUR=)	1	1	1	1	1	1	1	1	1	1	1	1					
Total en route costs in real terms (in € <sub>2012</sub> prices)	32 549 291	31 219 543	42 330 428	45 049 800	45 593 933	43 390 071	43 519 903	42 798 410	42 090 313	41 392 701	40 709 748	45 042 735	2,3%	-1,3%	-0,5%	-2,0%	
Trend in total en route costs in real terms %n/n-1		-4,1%	35,6%	6,4%	1,2%	-4,8%	0,3%	-1,7%	-1,7%	-1,7%	-1,6%						
Real en route UCs/DUCs (in € <sub>2012</sub> prices)	44,77	42,22	50,85	57,00	59,18	55,27	53,93	51,88	49,93	48,02	46,21	47,92	0,3%	-3,5%	-1,2%	-0,7%	
Trend in real en route UCs/DUCs (in € <sub>2012</sub> prices) %n/n-1		-5,7%	20,4%	12,1%	3,8%	-6,6%	-2,4%	-3,8%	-3,8%	-3,8%	-3,8%						
€2009 prices																	
Inflation index (Base = 100 in 2009)	100,00	101,70	105,06	108,42	110,80	114,13	116,64	118,97	121,35	123,78	126,25	114,16					
2009 average exchange rate (1EUR=)	1	1	1	1	1	1	1	1	1	1	1	1					
Total en route costs in real terms (in € <sub>2009</sub> prices)	30 022 065	28 795 562	39 043 765	41 551 981	42 053 882	40 021 134	40 140 886	39 475 411	38 822 293	38 178 846	37 548 919	41 545 480	2,3%	-1,3%	-0,5%	-2,0%	
Trend in total en route costs in real terms %n/n-1		-4,1%	35,6%	6,4%	1,2%	-4,8%	0,3%	-1,7%	-1,7%	-1,7%	-1,6%						
Real en route UCs/DUCs (in € <sub>2009</sub> prices)	41,29	38,94	46,90	52,58	54,58	50,98	49,74	47,85	46,05	44,29	42,62	44,20	0,3%	-3,5%	-1,2%	-0,7%	
Trend in real en route UCs/DUCs (in € <sub>2009</sub> prices) %n/n-1		-5,7%	20,4%	12,1%	3,8%	-6,6%	-2,4%	-3,8%	-3,8%	-3,8%	-3,8%						

In the RP1 performance plan Finland decided to use STATFOR high case traffic forecast due to unexpected, strong growth in traffic before RP1. However, traffic volume has not increased as expected. Economy in Finland has been sluggish and exceptionally many companies have ceased operations to and from Finland. In 2012 traffic was 9,9 % and in 2013 15,1 % below PP forecast. It is expected that in 2014 traffic will be more than 10 % below PP forecast. The difference in TSUs has already generated significant losses during 2012- 2013 and significant losses are expected also in 2014 from the traffic risk sharing.

As a response to these losses in revenue, Finavia has been cutting costs. In 2012 real en-route costs for Finavia were -2,4 % lower than planned. Finavia has cut the costs also during 2013 (exact figures are not available at the moment) and it is expected that Finavia will continue cutting its costs also during 2014 following the traffic downturn. In 2012 staff costs were -2,8 % lower than planned while the savings in other operating costs amounted to -6,3 % compared to determined costs. As a result of the cost sharing mechanism, Finavia can retain the amounts generated by the costs savings (i.e. +0,8 M€2009) compared to NPP. However, the difference in planned and actual traffic generated a loss of -1,5 M€2009 for Finavia in 2012 (traffic risk sharing). Overall, the en-route activity for the year 2012 generated a net loss of -0,7 M€2009 for Finavia. On the profitability side, the actual surplus relating to the 2012 en-route activities of the ATSP is nearly zero. It is expected that the situation is quite the same for 2013 and 2014.

Finland has decided to define the starting point exactly as proposed by the Commission. Thus, the expected improvements in cost-efficiency for the RP2 should be measured against determined costs for 2014 adjusted by the expected effect of the traffic risk sharing. That means that the nominal starting point for 2014 is about 45,7 M€. That also means that Finland's DUC in real terms (€2009) will be 50,98 €. That is 7,11 € below Union-wide average. Although Finavia has been cutting costs in order to respond to the lower traffic volume, the traffic downturn has been so huge that actual costs are still significantly higher than this starting point.

Because the assumptions made now for 2014 should be set in consistency with RP1 assumptions Finland is at the moment of the opinion that during RP2 Finavia needs to aim at freezing its 2014 nominal determined costs. Finland also takes into account that the starting point DUC for Finland even without taking into account the traffic risk sharing would be 52,52 € (2009€) which is 5,57 € below Union-wide average. By freezing the determined nominal costs Finavia's determined costs in real terms will decrease by 3,6 M€ during RP2.

Finnish Meteorological Institute (FMI) is reducing its cost base significantly. The average change in real terms per year is -7,3 % (DC). Explanation for this is as follows:

Finnish parliament decided to open all weather data, which Finnish Meteorological Institute owns, for free to all users (not only for use of civil aviation) in December 2013. This data includes also observation data for aviation, which has been delivered for free since the beginning of 2014. By making this decision Finnish parliament also decided to fund these observations from the national budget. Due to changes in observation data funding arrangements and according to 9161 Manual, FMI has deducted partially aviation observation costs from MET cost base.

NSA's costs (Eurocontrol included) are going to increase quite significantly during RP2. This is mainly due to increase of Eurocontrol costs. For 2014 Eurocontrol costs are about 400 000 € higher than anticipated in performance plan for RP1. During RP2 Eurocontrol costs are increasing by almost 500 000 €. This means that costs will increase by 1,9 % per year in real terms.

**B - Inflation assumptions**

<b>Finland</b>	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Inflation %				3,20 %	2,20 %	3,00 %	2,20 %	2,00 %	2,00 %	2,00 %	2,00 %
Inflation index (2012=100)				100,00	102,20	105,27	107,58	109,73	111,93	114,17	116,45
Eurostat HICP (actuals) and IMF CPI (forecasts)				0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
Inflation index (2012=100) HICP and IMF				100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00
Difference in percentage points					0,02	0,03	0,02	0,02	0,02	0,02	0,02
Cumulative difference in percentage points					0,02	0,05	0,08	0,10	0,12	0,14	0,16
Justification and data source in case of deviation from inflation references	No deviation from inflation references.										

**C - Service Units forecast for en route**

<b>Finland</b>	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Total en route service units (TSU)				790 296	770 452	785 000	807 000	825 000	843 000	862 000	881 000
Year on Year variation TSU					-2,5%	1,9%	2,8%	2,2%	2,2%	2,3%	2,2%
STATFOR en route service units forecast (Baseline scenario)				0	0	0	0	0	0	0	0
Year on Year variation TSU STATFOR											
Difference in percentage points											
Cumulative difference in percentage points											
STATFOR en route service units forecast (Low scenario)				0	0	0	0	0	0	0	0
Year on Year variation TSU STATFOR											
Difference in percentage points											
Cumulative difference in percentage points											
Explanation of the differences (if any), justification, rationale and source	Finland has decided to use for traffic assumption STATFOR baseline. At the moment, the most recent forecast is from September 2013. Low forecast would give Finland 4,4 % total increase in traffic during RP2 and baseline would give increase of 14 %. Economy in Finland is showing now some recovery (although slow) and because of the recent activity (for example several new AOC applications) it is expected that baseline forecast would be more realistic. With the baseline scenario Finnish charging zone will contribute to the yearly reduction of -3,5 % of DUC during RP2.										

**D - Alert thresholds (en route service units)**

<b>Finland</b>	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Local thresholds							10 %	10 %	10 %	10 %	10 %
Local thresholds set by the European Commission							10 %	10 %	10 %	10 %	10 %
Detailed justification in case of deviation											

**IMPORTANT NOTE**

The data and justifications for the cost-efficiency targets at local level are split into two distinct parts of the performance plan, aiming at optimising workload and avoiding duplication of reporting. They comprise:

- In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
  - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;
  - The entries and justification requiring data from external sources i.e.
    - The traffic forecast used and, if applicable, their justification against STATFOR
    - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
  - The local alert thresholds, if any, and their justification.
  - A presentation of the consolidation of the targets at FAB level.
- In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities...), as follows:
  - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
  - The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation.

Annex C forms an integral part of the performance plan and will be used to carry out the assessment of the performance plan.

3.1.(d).1 - En Route Charging Zone #3

A - Cost efficiency KPI #1: Determined unit cost (DUC) for en route ANS

in EUR

	Historical data (actual 2009-2013, latest 2014 forecast)						RP2 Performance Plan					RP1 PP	Average pct variation p.a.				
	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D	2014 D	2009A-2019D	2014F-2019D	2011A-2019D	2014D-2019D	
<b>Latvia</b>																	
<b>Local currency (Nominal and 2012 prices)</b>																	
Total en route actual/forecast/determined costs in nominal terms (in national currency)			20 652 984	20 971 853	21 425 000	22 224 000	22 957 000	23 732 000	24 551 000	25 390 000	26 777 000	22 223 835	0,0%	3,8%	3,3%	3,8%	
Inflation %		-1,20 %	4,20 %	2,30 %	0,00 %	2,10 %	2,30 %	2,30 %	2,30 %	2,30 %	2,30 %						
Inflation index (Base = 100 in 2012)	95,0	93,8	97,8	100,0	100,0	102,1	104,4	106,9	109,3	111,8	114,4	103,4	1,9%	2,3%	2,0%	2,0%	
Total en route actual/forecast/determined costs in real terms (in national currency at 2012 prices)	0	0	21 128 003	20 971 853	21 425 000	21 766 895	21 979 295	22 210 449	22 460 351	22 705 675	23 407 660	21 493 071	0,0%	1,5%	1,3%	1,7%	
Total en route Service Units (TSU)			702 400	707 109	733 633	780 000	802 000	824 000	844 000	867 000	890 000	765 000	0,0%	2,7%	3,0%	3,1%	
Real en route UCs/DUCs (in national currency at 2012 prices)	#DIV/0!	#DIV/0!	30,08	29,66	29,20	27,91	27,41	26,95	26,61	26,19	26,30	28,10	#DIV/0!	-1,2%	-1,7%	-1,3%	
<b>€2012 prices</b>																	
2012 average exchange rate (1EUR=)	1	1	1	1	1	1	1	1	1	1	1	1					
Total en route costs in real terms (in € <sub>2012</sub> prices)	0	0	21 128 003	20 971 853	21 425 000	21 766 895	21 979 295	22 210 449	22 460 351	22 705 675	23 407 660	21 493 071	0,0%	1,5%	1,3%	1,7%	
Trend in total en route costs in real terms %n/n-1				-0,7%	2,2%	1,6%	1,0%	1,1%	1,1%	1,1%	3,1%						
Real en route UCs/DUCs (in € <sub>2012</sub> prices)			30,08	29,66	29,20	27,91	27,41	26,95	26,61	26,19	26,30	28,10	0,0%	-1,2%	-1,7%	-1,3%	
Trend in real en route UCs/DUCs (in € <sub>2012</sub> prices) %n/n-1				-1,4%	-1,5%	-4,4%	-1,8%	-1,6%	-1,3%	-1,6%	0,4%						
<b>€2009 prices</b>																	
Inflation index (Base = 100 in 2009)	100,00	98,80	102,95	105,32	105,32	107,53	110,00	112,53	115,12	117,77	120,48	108,90					
2009 average exchange rate (1EUR=)	1	1	1	1	1	1	1	1	1	1	1	1					
Total en route costs in real terms (in € <sub>2009</sub> prices)	0	0	20 061 257	19 912 991	20 343 259	20 667 892	20 869 568	21 089 051	21 326 336	21 559 274	22 225 816	20 407 893	0,0%	1,5%	1,3%	1,7%	
Trend in total en route costs in real terms %n/n-1				-0,7%	2,2%	1,6%	1,0%	1,1%	1,1%	1,1%	3,1%						
Real en route UCs/DUCs (in € <sub>2009</sub> prices)			28,56	28,16	27,73	26,50	26,02	25,59	25,27	24,87	24,97	26,68	0,0%	-1,2%	-1,7%	-1,3%	
Trend in real en route UCs/DUCs (in € <sub>2009</sub> prices) %n/n-1				-1,4%	-1,5%	-4,4%	-1,8%	-1,6%	-1,3%	-1,6%	0,4%						

Description of the consistency between local and Union-wide targets

Yearly unit rate reduction in the adopted NPP for RP1 is 2.9%. Taking into account that Latvia is one of the countries with historically lowest unit rate within EU area, the level of ambition in terms of planned reduction of determined unit costs for en route ANS should take into account performance delivered by LGS in RP1 and local circumstances in economic development when setting the cost-efficiency targets for RP2.  
 Note about missing historical data: As Latvia became EUROCONTROL member state from the 1st of January 2011, prior to the technical integration of a new member state in the Multilateral Route Charges System, the CRCO made assessment of Latvia's cost figures. To ensure Latvia's cost base complies with EUROCONTROL principles, Latvia's ANS costs were significantly restructured. Therefore historical cost data are not comparable with the current cost data and could lead to the misleading interpretation.

**B - Inflation assumptions**

<b>Latvia</b>	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Inflation %				2,30 %	0,00 %	2,10 %	2,30 %	2,30 %	2,30 %	2,30 %	2,30 %
Inflation index (2012=100)				100,00	100,00	102,10	104,45	106,85	109,31	111,82	114,39
Eurostat HICP (actuals) and IMF CPI (forecasts)				0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
Inflation index (2012=100) HICP and IMF				100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00
Difference in percentage points					0,00	0,02	0,02	0,02	0,02	0,02	0,02
Cumulative difference in percentage points					0,00	0,02	0,04	0,07	0,09	0,12	0,14
Justification and data source in case of deviation from inflation references	EUROSTAT HICP (actuals) and IMF CPI (forecasts)										

**C - Service Units forecast for en route**

<b>Latvia</b>	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Total en route service units (TSU)				707 109	733 633	780 000	802 000	824 000	844 000	867 000	890 000
Year on Year variation TSU					3,8%	6,3%	2,8%	2,7%	2,4%	2,7%	2,7%
Baseline	STATFOR en route service units forecast (Baseline scenario)			0	0	0	0	0	0	0	0
	Year on Year variation TSU STATFOR										
	Difference in percentage points										
	Cumulative difference in percentage points										
Low	STATFOR en route service units forecast (Low scenario)			0	0	0	0	0	0	0	0
	Year on Year variation TSU STATFOR										
	Difference in percentage points										
	Cumulative difference in percentage points										
Explanation of the differences (if any), justification, rationale and source	STATFOR baseline scenario										

**D - Alert thresholds (en route service units)**

<b>Latvia</b>	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Local thresholds							10 %	10 %	10 %	10 %	10 %
Local thresholds set by the European Commission							10 %	10 %	10 %	10 %	10 %
Detailed justification in case of deviation	No deviation										

**IMPORTANT NOTE**

The data and justifications for the cost-efficiency targets at local level are split into two distinct parts of the performance plan, aiming at optimising workload and avoiding duplication of reporting. They comprise:

- In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
  - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;
  - The entries and justification requiring data from external sources i.e.
    - The traffic forecast used and, if applicable, their justification against STATFOR
    - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
  - The local alert thresholds, if any, and their justification.
  - A presentation of the consolidation of the targets at FAB level.
- In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities...), as follows:
  - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
  - The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation.

Annex C forms an integral part of the performance plan and will be used to carry out the assessment of the performance plan.



3.1.(d).1 - En Route Charging Zone #4

A - Cost efficiency KPI #1: Determined unit cost (DUC) for en route ANS

in NOK

	Historical data (actual 2009-2013, latest 2014 forecast)						RP2 Performance Plan					RP1 PP	Average pct variation p.a.				
	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D	2014 D	2009A-2019D	2014F-2019D	2011A-2019D	2014D-2019D	
<b>Norway</b>																	
<b>Local currency (Nominal and 2012 prices)</b>																	
Total en route actual/forecast/determined costs in nominal terms (in national currency)	816 300 000	806 335 000	851 265 000	844 093 000	943 147 000	966 867 000	981 741 000	992 344 000	1 012 013 000	1 012 414 000	1 015 710 000	891 017 000	2,2%	1,0%	2,2%	2,7%	
Inflation %		2,50 %	1,20 %	0,80 %	2,10 %	2,00 %	2,00 %	2,20 %	2,50 %	2,50 %	2,50 %						
Inflation index (Base = 100 in 2012)	95,6	98,0	99,2	100,0	102,1	104,1	106,2	108,6	111,3	114,1	116,9	103,5	2,0%	2,3%	2,1%	2,5%	
Total en route actual/forecast/determined costs in real terms (in national currency at 2012 prices)	853 521 974	822 539 108	858 075 120	844 093 000	923 748 286	928 412 168	924 210 382	914 082 231	909 463 438	887 632 980	868 802 677	860 633 205	0,2%	-1,3%	0,2%	0,2%	
Total en route Service Units (TSU)	1 495 000	1 583 000	1 713 000	1 846 000	2 035 000	2 128 000	2 188 000	2 225 000	2 254 000	2 289 000	2 322 000	1 843 000	4,5%	1,8%	3,9%	4,7%	
Real en route UCs/DUCs (in national currency at 2012 prices)	570,92	519,61	500,92	457,26	453,93	436,28	<b>422,40</b>	<b>410,82</b>	<b>403,49</b>	<b>387,78</b>	<b>374,16</b>	466,97	-4,1%	-3,0%	-3,6%	-4,3%	
<b>€2012 prices</b>																	
2012 average exchange rate (1EUR=)	7,47413	7,47413	7,47413	7,47413	7,47413	7,47413	7,47413	7,47413	7,47413	7,47413	7,47413	7,47413					
Total en route costs in real terms (in € <sub>2012</sub> prices)	114 196 833	110 051 485	114 806 020	112 935 285	123 592 751	124 216 754	123 654 577	122 299 482	121 681 512	118 760 709	116 241 312	115 148 279	0,2%	-1,3%	0,2%	0,2%	
Trend in total en route costs in real terms %n/n-1		-3,6%	4,3%	-1,6%	9,4%	0,5%	-0,5%	-1,1%	-0,5%	-2,4%	-2,1%						
Real en route UCs/DUCs (in € <sub>2012</sub> prices)	76,39	69,52	67,02	61,18	60,73	58,37	56,51	54,97	53,98	51,88	50,06	62,48	-4,1%	-3,0%	-3,6%	-4,3%	
Trend in real en route UCs/DUCs (in € <sub>2012</sub> prices) %n/n-1		-9,0%	-3,6%	-8,7%	-0,7%	-3,9%	-3,2%	-2,7%	-1,8%	-3,9%	-3,5%						
<b>€2009 prices</b>																	
Inflation index (Base = 100 in 2009)	100,00	102,50	103,73	104,56	106,76	108,89	111,07	113,51	116,35	119,26	122,24	108,25					
2009 average exchange rate (1EUR=)	8,72807	8,72807	8,72807	8,72807	8,72807	8,72807	8,72807	8,72807	8,72807	8,72807	8,72807	8,72807					
Total en route costs in real terms (in € <sub>2009</sub> prices)	93 525 831	90 130 841	94 024 748	92 492 638	101 220 975	101 732 026	101 271 610	100 161 804	99 655 693	97 263 591	95 200 235	94 305 054	0,2%	-1,3%	0,2%	0,2%	
Trend in total en route costs in real terms %n/n-1		-3,6%	4,3%	-1,6%	9,4%	0,5%	-0,5%	-1,1%	-0,5%	-2,4%	-2,1%						
Real en route UCs/DUCs (in € <sub>2009</sub> prices)	62,56	56,94	54,89	50,10	49,74	47,81	46,29	45,02	44,21	42,49	41,00	51,17	-4,1%	-3,0%	-3,6%	-4,3%	
Trend in real en route UCs/DUCs (in € <sub>2009</sub> prices) %n/n-1		-9,0%	-3,6%	-8,7%	-0,7%	-3,9%	-3,2%	-2,7%	-1,8%	-3,9%	-3,5%						

**Justification for the level of ambition:**  
 In the area of cost-efficiency Avinor A/S has delivered more than expected in the first reference period. This has been taken into account when setting the cost-efficiency targets for the second reference period. Furthermore Norwegian the en-route unit cost (DUC) is close to the European average level, despite that the Norwegian price level is among the highest in Europe. If the DUC is adjusted in respect to the PPP-model, Norway could be considered to have one of the lowest en-route unit cost in Europe. The indicative values also suggest that the NEFAB States could contribute less than the EU-wide targets in RP2.

Description of the consistency between local and Union-wide targets

**B - Inflation assumptions**

<b>Norway</b>	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Inflation %				0,80 %	2,10 %	2,00 %	2,00 %	2,20 %	2,50 %	2,50 %	2,50 %
Inflation index (2012=100)				100,00	102,10	104,14	106,22	108,56	111,28	114,06	116,91
Eurostat HICP (actuals) and IMF CPI (forecasts)				0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
Inflation index (2012=100) HICP and IMF				100,00	100,00	100,00	100,00	100,00	100,00	100,00	100,00
Difference in percentage points					0,02	0,02	0,02	0,02	0,03	0,03	0,03
Cumulative difference in percentage points					0,02	0,04	0,06	0,09	0,11	0,14	0,17
Justification and data source in case of deviation from inflation references	Economic Survey from Statistics Norway published 15.October 2013 shows that national inflation figures do not differ significantly from the corresponding figures published by the IMF. Still Statistics Norway has firsthand knowledge of national conditions and has a good credibility, and supports our opinion that forecasts for inflation from the IMF Outlook report from 8.October, 2013 is to low. Source: <a href="http://www.ssb.no/en/forside">http://www.ssb.no/en/forside</a> Inflation is usually measured in terms of the rise in consumer prices, as measured in Statistics Norway's consumer price index. According to the Monetary Policy Regulation, the objective of monetary policy is annual consumer price inflation of approximately 2½ per cent over time. Source: <a href="http://www.norges-bank.no/en/faq/monetary-policy/">http://www.norges-bank.no/en/faq/monetary-policy/</a> .										

**C - Service Units forecast for en route**

<b>Norway</b>	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Total en route service units (TSU)				1 846 000	2 035 000	2 128 000	2 188 000	2 225 000	2 254 000	2 289 000	2 322 000
Year on Year variation TSU					10,2%	4,6%	2,8%	1,7%	1,3%	1,6%	1,4%
STATFOR en route service units forecast (Baseline scenario)				0	0	0	0	0	0	0	0
Year on Year variation TSU STATFOR											
Difference in percentage points											
Cumulative difference in percentage points											
STATFOR en route service units forecast (Low scenario)				0	0	0	0	0	0	0	0
Year on Year variation TSU STATFOR											
Difference in percentage points											
Cumulative difference in percentage points											
Explanation of the differences (if any), justification, rationale and source	It was suggested in the NCP Performance Group (WG) meeting on the 10th of February that each member state should use the traffic forecast figures they find most realistic. In the first reference period Norway saw a higher increase in traffic than what was projected in the performance plan. Norway expects that the growth rate in traffic will be approximately at the same level in RP2. It is our understanding that there is a correlation between the economic growth (GDP) and the growth in traffic. It is expected that the economic growth will continue or even increase in the RP2, among other things as a result of an increase in household consumption. In summary Norway cannot identify any factors that would justify the STATFOR low forecast for RP2, therefore Norway is using STATFOR Base										

**D - Alert thresholds (en route service units)**

<b>Norway</b>	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Local thresholds							10 %	10 %	10 %	10 %	10 %
Local thresholds set by the European Commission							10 %	10 %	10 %	10 %	10 %
Detailed justification in case of deviation	No deviation										

**IMPORTANT NOTE**

The data and justifications for the cost-efficiency targets at local level are split into two distinct parts of the performance plan, aiming at optimising workload and avoiding duplication of reporting. They comprise:

- In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
  - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;
  - The entries and justification requiring data from external sources i.e.
    - The traffic forecast used and, if applicable, their justification against STATFOR
    - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
  - The local alert thresholds, if any, and their justification.
  - A presentation of the consolidation of the targets at FAB level.
- In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities...), as follows:
  - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
  - The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation,.

Annex C forms an integral part of the performance plan and will be used to carry out the assessment of the performance plan.

3.1.(d).2 - En Route ANS at FAB level

A - Cost efficiency KPI #1: Determined unit cost (DUC) for en route ANS aggregated at FAB level

	Historical data (actual 2009-2013, latest 2014 forecast)						RP2 Performance Plan					RP1 PP	Average percentage variation per annum			
	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D	2014 D	2009A-2019D	2014F-2019D	2011A-2019D	2014D-2019D
Total en route Service Units (TSU)	2 854 050	2 949 502	3 951 900	4 068 405	4 280 085	4 440 000	4 571 000	4 675 000	4 768 000	4 873 000	4 979 000	4 297 000	5,7%	2,3%	2,9%	3,0%
Trend in Total en route Service Units (TSU)%n/n-1		3,34 %	33,99 %	2,95 %	5,20 %	3,74 %	2,95 %	2,28 %	1,99 %	2,20 %	2,18 %					
Total en route costs in real terms (in € <sub>2012</sub> prices)	162 171 533	157 626 974	193 777 747	195 645 938	207 134 940	207 454 663	209 526 736	208 230 635	207 352 566	204 359 963	201 994 895	197 343 430	2,2%	-0,5%	0,5%	0,5%
Trend in total en route costs in real terms (in € <sub>2012</sub> prices) %n/n-1		-2,80 %	22,93 %	0,96 %	5,87 %	0,15 %	1,00 %	-0,62 %	-0,42 %	-1,44 %	-1,16 %					
Real en route UCs/DUCs (in € <sub>2012</sub> prices)	56,82	53,44	49,03	48,09	48,40	46,72	45,84	44,54	43,49	41,94	40,57	45,93	-3,3%	-2,8%	-2,3%	-2,4%
Trend in real en route UCs/DUCs (in € <sub>2012</sub> prices)%n/n-1		-5,95 %	-8,25 %	-1,93 %	0,64 %	-3,45 %	-1,90 %	-2,83 %	-2,36 %	-3,57 %	-3,26 %					
Total en route costs in real terms (in € <sub>2009</sub> prices)	137 262 896	133 468 760	166 922 912	168 796 091	178 309 230	178 497 133	180 396 017	179 328 642	178 582 829	176 118 515	174 212 069	170 181 424	2,4%	-0,5%	0,5%	0,5%
Trend in total en route costs in real terms (in € <sub>2009</sub> prices) %n/n-1		-2,76 %	25,07 %	1,12 %	5,64 %	0,11 %	1,06 %	-0,59 %	-0,42 %	-1,38 %	-1,08 %					
Real en route UCs/DUCs (in € <sub>2009</sub> prices)	48,09	45,25	42,24	41,49	41,66	40,20	39,47	38,36	37,45	36,14	34,99	39,60	-3,1%	-2,7%	-2,3%	-2,4%
Trend in real en route UCs/DUCs (in € <sub>2009</sub> prices)%n/n-1		-5,91 %	-6,66 %	-1,77 %	0,41 %	-3,50 %	-1,83 %	-2,80 %	-2,36 %	-3,50 %	-3,19 %					

Description of benefits and synergies achieved at functional airspace block level

### 3.1.(d).3 - Terminal Charging Zone #1

#### A - Cost efficiency KPI #2: Determined unit cost (DUC) for terminal ANS

		RP2 Performance Plan					in EUR
<b>Estonia</b>		2015 D	2016 D	2017 D	2018 D	2019 D	Avg pct var p.a. 2015D-2019D
Local currency (Nominal and 2012)	Total terminal determined costs in nominal terms (in national currency)	2 244 000	2 365 000	2 472 000	2 574 000	2 674 000	4,5%
	Inflation %	3,00 %	3,10 %	3,00 %	3,00 %	3,00 %	
	Inflation index (Base = 100 in 2012)	109,30	112,70	116,00	119,50	123,10	3,0%
	Total terminal determined costs in real terms (in national currency at 2012 prices)	2 053 065	2 098 492	2 131 034	2 153 975	2 172 218	1,4%
	Total terminal Service Units (TSU) used for the determined unit cost	15 429	16 525	17 186	17 650	18 532	4,7%
	Real terminal DUCs (in national currency at 2012 prices)	133,07	126,99	124,00	122,04	117,21	-3,1%
€2012 prices	2012 average exchange rate (1EUR=)	1	1	1	1	1	
	Total terminal determined costs in real terms (in € <sub>2012</sub> prices)	2 053 065	2 098 492	2 131 034	2 153 975	2 172 218	1,4%
	Trend in total terminal determined costs in real terms %n/n-1		2,2%	1,6%	1,1%	0,8%	
	Real terminal DUCs (in € <sub>2012</sub> prices)	133,07	126,99	124,00	122,04	117,21	-3,1%
	Trend in real terminal DUCs (in € <sub>2012</sub> prices) %n/n-1		-4,6%	-2,4%	-1,6%	-4,0%	
€2009 prices	Inflation index (Base = 100 in 2009)	123,29	127,13	130,85	134,80	138,86	
	2009 average exchange rate (1EUR=)	1	1	1	1	1	
	Total terminal determined costs in real terms (in € <sub>2009</sub> prices)	1 820 099	1 860 371	1 889 221	1 909 559	1 925 731	1,4%
	Trend in total terminal determined costs in real terms %n/n-1		2,2%	1,6%	1,1%	0,8%	
	Real terminal DUCs (in € <sub>2009</sub> prices)	117,97	112,58	109,93	108,19	103,91	-3,1%
Trend in real terminal DUCs (in € <sub>2009</sub> prices) %n/n-1		-4,6%	-2,4%	-1,6%	-4,0%		

<p>Description and justification of how the local targets contribute to the performance of the European ATM network</p>	<p>The PRB has noted that based on forecast data provided in June 2013 by States that terminal ANS costs are planned to remain fairly constant over RP2. The PRB considers that the lower bound of the “notional” Union-wide cost-efficiency target for terminal ANS could be a flat line (in real terms) profile over period 2015 – 2019. This would be in line with the preliminary overall Union-wide terminal ANS determined costs submitted by Member States in June 2013.</p> <p>Major investments to systems have been made before RP2. High traffic growth rates are justified with low starting point and Estonian economic forecasts. Economic assumptions and inflation are consistent with the assumptions used for en route target setting. This means DUC reduction of -3,1 % per year in real terms during RP2.</p>
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<b>Estonia</b>	2015 D	2016 D	2017 D	2018 D	2019 D
Inflation %	3,00 %	3,10 %	3,00 %	3,00 %	3,00 %
Inflation index (2012=100)	109,3	112,7	116,0	119,5	123,1
Eurostat HICP (actuals) and IMF CPI (forecasts)	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
Inflation index (2012=100) HICP and IMF	100,00	100,00	100,00	100,00	100,00
Difference in percentage points		0,03	0,03	0,03	0,03
Cumulative difference in percentage points		0,13	0,16	0,20	0,23
Justification and data source in case of deviation from inflation references	<p>Inflation forecasts have been taken from September 2013 Forecast of the Ministry of Finance of Estonia (<a href="http://www.fin.ee/official-statistics">http://www.fin.ee/official-statistics</a>). Forecast of the Ministry of Finance were the most updated forecast in time of completion of Performance Plan and the Ministry of Finance has first-hand knowledge of national conditions.</p>				

#### C - Service Units forecast for terminal

<b>Estonia</b>	2015 D	2016 D	2017 D	2018 D	2019 D
Total terminal service units (TNSU)	15 429	16 525	17 186	17 650	18 532
Year on Year variation TNSU		7,1%	4,0%	2,7%	5,0%

STATFOR terminal service units forecast (Baseline scenario)	0	0	0	0	0
Year on Year variation TNSU STATFOR					
Difference in percentage					
Cumulative difference in percentage					
Explanation of the differences (if any), justification, rationale and source	No difference				

#### D - Alert thresholds (terminal service units)

<b>Estonia</b>	2015 D	2016 D	2017 D	2018 D	2019 D
Local thresholds	10 %	10 %	10 %	10 %	10 %
Local thresholds set by the European Commission	10 %	10 %	10 %	10 %	10 %
Detailed justification in case of deviation	No difference				

#### **IMPORTANT NOTE**

The data and justifications for the cost-efficiency targets at local level are split into two distinct parts of the performance plan, aiming at optimising workload and avoiding duplication of reporting. They comprise:

- In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
  - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;
  - The entries and justification requiring data from external sources i.e.
    - The traffic forecast used and, if applicable, their justification against STATFOR
    - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
  - The local alert thresholds, if any, and their justification.
  - A presentation of the consolidation of the targets at FAB level.
- In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities...), as follows:
  - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
  - The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation,.

**Annex C forms an integral part of the performance plan and will be used to carry out the assessment of the performance plan.**

### 3.1.(d).3 - Terminal Charging Zone #2

#### A - Cost efficiency KPI #2: Determined unit cost (DUC) for terminal ANS

		RP2 Performance Plan					in EUR
<b>Finland</b>		2015 D	2016 D	2017 D	2018 D	2019 D	Avg pct var p.a. 2015D-2019D
Local currency (Nominal and 2012)	Total terminal determined costs in nominal terms (in national currency)	15 161 704	15 467 479	15 776 798	16 092 274	16 414 019	2,0%
	Inflation %	2,20 %	2,00 %	2,00 %	2,00 %	2,00 %	
	Inflation index (Base = 100 in 2012)	107,6	109,7	111,9	114,2	116,5	2,0%
	Total terminal determined costs in real terms (in national currency at 2012 prices)	14 093 180	14 095 495	14 095 468	14 095 416	14 095 330	0,0%
	Total terminal Service Units (TSU) used for the determined unit cost	100 800	102 700	104 500	106 700	108 800	1,9%
	Real terminal DUCs (in national currency at 2012 prices)	139,81	137,25	134,88	132,10	129,55	-1,9%
€2012 prices	2012 average exchange rate (1EUR=)	1	1	1	1	1	
	Total terminal determined costs in real terms (in € <sub>2012</sub> prices)	14 093 180	14 095 495	14 095 468	14 095 416	14 095 330	0,0%
	Trend in total terminal determined costs in real terms %n/n-1		0,0%	0,0%	0,0%	0,0%	
	Real terminal DUCs (in € <sub>2012</sub> prices)	139,81	137,25	134,88	132,10	129,55	-1,9%
	Trend in real terminal DUCs (in € <sub>2012</sub> prices) %n/n-1		-1,8%	-1,7%	-2,1%	-1,9%	
€2009 prices	Inflation index (Base = 100 in 2009)	116,64	118,97	121,35	123,78	126,25	
	2009 average exchange rate (1EUR=)	1	1	1	1	1	
	Total terminal determined costs in real terms (in € <sub>2009</sub> prices)	12 999 166	13 001 492	13 000 839	13 000 631	13 000 931	0,0%
	Trend in total terminal determined costs in real terms %n/n-1		0,0%	0,0%	0,0%	0,0%	
	Real terminal DUCs (in € <sub>2009</sub> prices)	128,96	126,60	124,41	121,84	119,49	-1,9%
Trend in real terminal DUCs (in € <sub>2009</sub> prices) %n/n-1		-1,8%	-1,7%	-2,1%	-1,9%		

Description and justification of how the local targets contribute to the performance of the European ATM network

The PRB has noted that based on forecast data provided in June 2013 by States that terminal ANS costs are planned to remain fairly constant over RP2. The PRB considers that the lower bound of the “notional” Union-wide cost-efficiency target for terminal ANS could be a flat line (in real terms) profile over period 2015 – 2019. This would be in line with the preliminary overall Union-wide terminal ANS determined costs submitted by Member States in June 2013.

In the target setting, Finland decided to use the flat line profile as PRB suggested. Target for all entities (DC) is zero in real terms during RP2. As traffic forecast Finland is using Statfor baseline in line with the en route forecast. Economic assumptions, inflation and traffic trends are consistent with the assumptions used for en route target setting. This means DUC reduction of -1,9 % per year in real terms during RP2. Cost allocation between en route and terminal ANS is going to be the same as in RP1.

If we combine en route and TN-costs, Finland will contribute to the yearly reduction of -1,5 % of DC and -3,7 % of DUC in real terms during RP2.

#### B - Inflation assumptions

<b>Finland</b>	2015 D	2016 D	2017 D	2018 D	2019 D
Inflation %	2,20 %	2,00 %	2,00 %	2,00 %	2,00 %
Inflation index (2012=100)	107,6	109,7	111,9	114,2	116,5
Eurostat HICP (actuals) and IMF CPI (forecasts)	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
Inflation index (2012=100) HICP and IMF	100,00	100,00	100,00	100,00	100,00
Difference in percentage points		0,02	0,02	0,02	0,02
Cumulative difference in percentage points		0,10	0,12	0,14	0,16
Justification and data source in case of deviation from inflation references					

#### C - Service Units forecast for terminal

<b>Finland</b>	2015 D	2016 D	2017 D	2018 D	2019 D
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Total terminal service units (TNSU)	100 800	102 700	104 500	106 700	108 800
Year on Year variation TNSU		1,9%	1,8%	2,1%	2,0%
STATFOR terminal service units forecast (Baseline scenario)	0	0	0	0	0
Year on Year variation TNSU STATFOR					
Difference in percentage					
Cumulative difference in percentage					
Explanation of the differences (if any), justification, rationale and source	No difference.				

#### D - Alert thresholds (terminal service units)

<b>Finland</b>	2015 D	2016 D	2017 D	2018 D	2019 D
Local thresholds	10 %	10 %	10 %	10 %	10 %
Local thresholds set by the European Commission	10 %	10 %	10 %	10 %	10 %
Detailed justification in case of deviation					

#### **IMPORTANT NOTE**

The data and justifications for the cost-efficiency targets at local level are split into two distinct parts of the performance plan, aiming at optimising workload and avoiding duplication of reporting. They comprise:

- In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
  - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;:
  - The entries and justification requiring data from external sources i.e.
    - The traffic forecast used and, if applicable, their justification against STATFOR
    - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
  - The local alert thresholds, if any, and their justification.
  - A presentation of the consolidation of the targets at FAB level.
- In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities...), as follows:
  - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
  - The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation,.

**Annex C forms an integral part of the performance plan and will be used to carry out the assessment of the performance plan.**

### 3.1.(d).3 - Terminal Charging Zone #3

#### A - Cost efficiency KPI #2: Determined unit cost (DUC) for terminal ANS

		RP2 Performance Plan					in EUR
<b>Latvia</b>		2015 D	2016 D	2017 D	2018 D	2019 D	Avg pct var p.a. 2015D-2019D
Local currency (Nominal and 2012)	Total terminal determined costs in nominal terms (in national currency)	7 676 000	7 883 000	8 099 000	8 309 000	8 529 000	2,7%
	Inflation %	2,30 %	2,30 %	2,30 %	2,30 %	2,30 %	
	Inflation index (Base = 100 in 2012)	104,4	106,9	109,3	111,8	114,4	2,3%
	Total terminal determined costs in real terms (in national currency at 2012 prices)	7 349 090	7 377 590	7 409 327	7 430 542	7 455 799	0,4%
	Total terminal Service Units (TSU) used for the determined unit cost	32 200	32 600	32 900	33 300	33 900	1,3%
	Real terminal DUCs (in national currency at 2012 prices)	<b>228,23</b>	<b>226,31</b>	<b>225,21</b>	<b>223,14</b>	<b>219,94</b>	-0,9%
€2012 prices	2012 average exchange rate (1EUR=)	1	1	1	1	1	
	Total terminal determined costs in real terms (in € <sub>2012</sub> prices)	7 349 090	7 377 590	7 409 327	7 430 542	7 455 799	0,4%
	Trend in total terminal determined costs in real terms %n/n-1		0,4%	0,4%	0,3%	0,3%	
	Real terminal DUCs (in € <sub>2012</sub> prices)	228,23	226,31	225,21	223,14	219,94	-0,9%
	Trend in real terminal DUCs (in € <sub>2012</sub> prices) %n/n-1		-0,8%	-0,5%	-0,9%	-1,4%	
€2009 prices	Inflation index (Base = 100 in 2009)	110,11	112,65	115,24	117,89	120,60	
	2009 average exchange rate (1EUR=)	1	1	1	1	1	
	Total terminal determined costs in real terms (in € <sub>2009</sub> prices)	6 970 982	6 998 015	7 028 119	7 048 242	7 072 200	0,4%
	Trend in total terminal determined costs in real terms %n/n-1		0,4%	0,4%	0,3%	0,3%	
	Real terminal DUCs (in € <sub>2009</sub> prices)	216,49	214,66	213,62	211,66	208,62	-0,9%
Trend in real terminal DUCs (in € <sub>2009</sub> prices) %n/n-1		-0,8%	-0,5%	-0,9%	-1,4%		

Description and justification of how the local targets contribute to the performance of the European ATM network	PRB considers that terminal ANS could be flat over the period 2015-2019. This would be in line with the preliminary overall Union-wide terminal ANS costs submitted by Member states in June 2013. On the other hand, it is expected that improvements and investments planned in RP2 will positively affect en route and terminal ANS performance regarding safety, increasing capacity, increasing revenues.
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#### B - Inflation assumptions

<b>Latvia</b>	2015 D	2016 D	2017 D	2018 D	2019 D
Inflation %	2,30 %	2,30 %	2,30 %	2,30 %	2,30 %
Inflation index (2012=100)	104,4	106,9	109,3	111,8	114,4
Eurostat HICP (actuals) and IMF CPI (forecasts)	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
Inflation index (2012=100) HICP and IMF	100,00	100,00	100,00	100,00	100,00
Difference in percentage points		0,02	0,02	0,02	0,02
Cumulative difference in percentage points		0,07	0,09	0,12	0,14
Justification and data source in case of deviation from inflation references	EUROSTAT HICP (actuals) and IMF CPI (forecasts)				

#### C - Service Units forecast for terminal

<b>Latvia</b>	2015 D	2016 D	2017 D	2018 D	2019 D
Total terminal service units (TNSU)	32 200	32 600	32 900	33 300	33 900
Year on Year variation TNSU		1,2%	0,9%	1,2%	1,8%
STATFOR terminal service units forecast (Baseline scenario)	0	0	0	0	0
Year on Year variation TNSU STATFOR					
Difference in percentage					
Cumulative difference in percentage					



Explanation of the differences (if any), justification, rationale and source	No difference
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#### D - Alert thresholds (terminal service units)

<b>Latvia</b>	<b>2015 D</b>	<b>2016 D</b>	<b>2017 D</b>	<b>2018 D</b>	<b>2019 D</b>
Local thresholds	10 %	10 %	10 %	10 %	10 %
Local thresholds set by the European Commission	10 %	10 %	10 %	10 %	10 %
Detailed justification in case of deviation	No difference				

#### **IMPORTANT NOTE**

The data and justifications for the cost-efficiency targets at local level are split into two distinct parts of the performance plan, aiming at optimising workload and avoiding duplication of reporting. They comprise:

1. In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
  - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;
  - The entries and justification requiring data from external sources i.e.
    - The traffic forecast used and, if applicable, their justification against STATFOR
    - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
  - The local alert thresholds, if any, and their justification.
  - A presentation of the consolidation of the targets at FAB level.
  
2. In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities...), as follows:
  - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
  - The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation,.

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### 3.1.(d).3 - Terminal Charging Zone #4

#### A - Cost efficiency KPI #2: Determined unit cost (DUC) for terminal ANS

		RP2 Performance Plan					in NOK
<b>Norway</b>		2015 D	2016 D	2017 D	2018 D	2019 D	Avg pct var p.a. 2015D-2019D
Local currency (Nominal and 2012)	Total terminal determined costs in nominal terms (in national currency)	500 412 000	498 403 000	503 121 000	507 823 000	512 587 000	0,6%
	Inflation %	2,00 %	2,20 %	2,50 %	2,50 %	2,50 %	
	Inflation index (Base = 100 in 2012)	106,2	108,6	111,3	114,1	116,9	2,4%
	Total terminal determined costs in real terms (in national currency at 2012 prices)	471 087 554	459 096 166	452 138 613	445 233 316	438 448 925	-1,8%
	Total terminal Service Units (TSU) used for the determined unit cost	260 503	267 818	276 677	284 877	291 330	2,8%
	Real terminal DUCs (in national currency at 2012 prices)	1 808,38	1 714,21	1 634,18	1 562,90	1 504,99	-4,5%
€2012 prices	2012 average exchange rate (1EUR=)	7,47413	7,47413	7,47413	7,47413	7,47413	
	Total terminal determined costs in real terms (in € <sub>2012</sub> prices)	63 029 082	61 424 696	60 493 812	59 569 919	58 662 202	-1,8%
	Trend in total terminal determined costs in real terms %n/n-1		-2,5%	-1,5%	-1,5%	-1,5%	
	Real terminal DUCs (in € <sub>2012</sub> prices)	241,95	229,35	218,64	209,11	201,36	-4,5%
	Trend in real terminal DUCs (in € <sub>2012</sub> prices) %n/n-1		-5,2%	-4,7%	-4,4%	-3,7%	
€2009 prices	Inflation index (Base = 100 in 2009)	109,76	112,18	114,98	117,86	120,80	
	2009 average exchange rate (1EUR=)	8,72807	8,72807	8,72807	8,72807	8,72807	
	Total terminal determined costs in real terms (in € <sub>2009</sub> prices)	52 233 392	50 903 807	50 132 366	49 366 718	48 614 476	-1,8%
	Trend in total terminal determined costs in real terms %n/n-1		-2,5%	-1,5%	-1,5%	-1,5%	
	Real terminal DUCs (in € <sub>2009</sub> prices)	200,51	190,07	181,19	173,29	166,87	-4,5%
Trend in real terminal DUCs (in € <sub>2009</sub> prices) %n/n-1		-5,2%	-4,7%	-4,4%	-3,7%		

Description and justification of how the local targets contribute to the performance of the European ATM network

#### B - Inflation assumptions

<b>Norway</b>		2015 D	2016 D	2017 D	2018 D	2019 D
Inflation %		2,00 %	2,20 %	2,50 %	2,50 %	2,50 %
Inflation index (2012=100)		106,2	108,6	111,3	114,1	116,9
Eurostat HICP (actuals) and IMF CPI (forecasts)		0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
Inflation index (2012=100) HICP and IMF		100,00	100,00	100,00	100,00	100,00
Difference in percentage points			0,02	0,03	0,03	0,03
Cumulative difference in percentage points			0,09	0,11	0,14	0,17
Justification and data source in case of deviation from inflation references	<p>Economic Survey from Statistics Norway published 15.October 2013 shows that national inflation figures do not differ significantly from the corresponding figures published by the IMF. Still Statistics Norway has firsthand knowledge of national conditions and has a good credibility, and supports our opinion that forecasts for inflation from the IMF Outlook report from 8.October, 2013 is to low. Source: <a href="http://www.ssb.no/en/forside">http://www.ssb.no/en/forside</a></p> <p>Inflation is usually measured in terms of the rise in consumer prices, as measured in Statistics Norway's consumer price index. According to the Monetary Policy Regulation, the objective of monetary policy is annual consumer price inflation of approximately 2½ per cent over time. Source: <a href="http://www.norges-bank.no/en/faq/monetary-policy/">http://www.norges-bank.no/en/faq/monetary-policy/</a>.</p>					

#### C - Service Units forecast for terminal

<b>Norway</b>		2015 D	2016 D	2017 D	2018 D	2019 D
Total terminal service units (TNSU)		260 503	267 818	276 677	284 877	291 330
Year on Year variation TNSU			2,8%	3,3%	3,0%	2,3%

STATFOR terminal service units forecast (Baseline scenario)	0	0	0	0	0
Year on Year variation TNSU STATFOR					
Difference in percentage					
Cumulative difference in percentage					
Explanation of the differences (if any), justification, rationale and source	<p>It was suggested in the NCP Performance Group (WG) meeting on the 10th of February that each member state should use the traffic forecast figures they find most realistic. In the first reference period Norway saw a higher increase in traffic than what was projected in the performance plan. Norway expects that the growth rate in traffic will be approximately at the same level in RP2. It is our understanding that there is a correlation between the economic growth (GDP) and the growth in traffic.</p> <p>It is expected that the economic growth will continue or even increase in the RP2, among other things as a result of an increase in household consumption. In summary Norway cannot identify any factors that would justify the STATFOR low forecast for RP2, therefore Norway is using STATFOR Base.</p>				

#### D - Alert thresholds (terminal service units)

<b>Norway</b>	<b>2015 D</b>	<b>2016 D</b>	<b>2017 D</b>	<b>2018 D</b>	<b>2019 D</b>
Local thresholds	10 %	10 %	10 %	10 %	10 %
Local thresholds set by the European Commission	10 %	10 %	10 %	10 %	10 %
Detailed justification in case of deviation					

#### **IMPORTANT NOTE**

The data and justifications for the cost-efficiency targets at local level are split into two distinct parts of the performance plan, aiming at optimising workload and avoiding duplication of reporting. They comprise:

- In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
  - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;:
  - The entries and justification requiring data from external sources i.e.
    - The traffic forecast used and, if applicable, their justification against STATFOR
    - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
  - The local alert thresholds, if any, and their justification.
  - A presentation of the consolidation of the targets at FAB level.
- In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities...), as follows:
  - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
  - The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation,.

**Annex C forms an integral part of the performance plan and will be used to carry out the assessment of the performance plan.**

### **3.2 - Consistency of the performance targets with the relevant Union-wide performance targets or, when there is no Union-wide target, contribution to the performance of the European ATM network**

This section has been integrated within each individual KPI.

### 3.3 - Description of KPAs interdependencies and trade-offs

#### **Safety**

Safety establishes mandatory requirements in ATM operations and is a KPA to which assessments of all the other performance areas should be linked. Today, we consider the NEFAB states to be above the minimum acceptable air safety levels, as defined by EASA. However, within these boundaries, there is still room for improving safety performance levels. This view is supported by the results of the first monitoring period in RP1.

NEFAB recognises that significant efforts will be required within all NEFAB states and most ANSPs during RP2 in order to reach the safety targets. Safety will continue to have primacy and will not be compromised while trying to achieve a target in a different KPA.

NEFAB recognises that there is a potential conflict between safety and cost efficiency. It's however our opinion that the implementation of safety KPAs can be achieved at an affordable price. Therefore, Safety targets, even if challenging, can be met without unduly affecting cost-efficiency.

The biggest challenge is keeping a focus on safety while trying to achieve the targets of different KPIs. In RP2 NEFAB expects ANSPs to undergo major organisational and or/technical changes. NEFAB recognises the importance of identifying and managing safety risks in the change management process.

NEFAB recognises that certain interdependencies between safety and other KPAs may exist, but is of the opinion that the relationship between these KPA is controllable.

#### **Capacity**

Providing greater capacity may entail extra costs, through investment in new technology, procedures or extra staff. It may also involve reducing cost by deploying ATCOs according to traffic demand. Optimum capacity is defined as when the marginal cost of additional capacity equals the cost of additional delays.

In setting the capacity targets for RP2 NEFAB has focused on the indicative values produced by the PRB. The capacity targets are less strict than in the first reference period. It's our opinion that some ANSPs have excessive capacity for long periods in order to meet the capacity target in peak hours. With less strict capacity targets the ANSP should be able to adjust the workforce to the actual traffic demands and the cost optimum capacity.

#### **Environment**

NEFAB recognises that there are some interdependencies between en-route capacity and flight-efficiency: more structured routes, such as one-way routes, offer more capacity but are less efficient from the environmental and operational perspectives. NEFAB doesn't believe that this will be a hard constraint, as a high level of flight-efficiency can be achieved with Free Route Airspace.

NEFAB recognises that there are some interdependency between flight-efficiency and cost-efficiency. Sophisticated flight planning systems take unit rates into account; they can plan longer but cheaper routes as they fly round more expensive ANSPs. This wastes capacity already made available in the States with higher costs - and drives up costs in those States which used to have lower costs, as demand on non-traditional route structures increases.

### 3.4 - Contribution of each air navigation service provider

This section has been integrated within each individual KPI.

## SECTION 4: INCENTIVE SCHEMES

Mapping between the template for the FAB performance plan and Annex II of the performance Regulation				
Structure of ANNEX II of the performance Regulation	Link with PRB Performance Plan template			
	Body of Performance Plan	Annex C For cost-efficiency		Other annexes
		RT ref.	AI ref.	
4. INCENTIVE SCHEMES	4			
4.1. Description and explanation of the incentive schemes to be applied on air navigation service providers.	4.1			

## 4 - INCENTIVE SCHEMES

### 4.1 - Incentive schemes for the environment targets

Number of incentive schemes	4
-----------------------------	---

<i>&lt;Incentive scheme / Environment / Finland&gt;</i>	
Entity being incentivised	<i>Finavia Corporation</i>
KPI description	<i>Environment KPA / Corrective action plan</i>
Type of incentive	<i>Corrective action plan</i>
Formula	<i>Union-wide targets</i>
Justification	<i>According to regulation 390 / 2013</i>
Description of performance variation levels and the applicable level of bonuses and penalties	<i>In case that Finavia corporation is unable to deliver required performance in the environment KPA, corrective action plan with deadlines and associated measures is required.</i>
Additional comments	<i>Required performance is according to Commission decision</i>

<i>&lt;Incentive scheme / Environment / Estonia&gt;</i>	
Entity being incentivised	<i>EANS</i>
KPI description	<i>Environment KPA / Corrective action plan</i>
Type of incentive	<i>Corrective action plan</i>
Formula	<i>Union-wide targets</i>
Justification	<i>According to regulation 390 / 2013</i>
Description of performance variation levels and the applicable level of bonuses and penalties	<i>In case that EANS is unable to deliver required performance in the environment KPA, corrective action plan with deadlines and associated measures is required.</i>
Additional comments	<i>Required performance is according to Commission decision</i>

<i>&lt;Insert Incentive Scheme #3&gt;</i>	
Entity being incentivised	
KPI description	
Type of incentive	
Formula	
Justification	
Description of performance variation levels and the applicable level of bonuses and penalties	
Additional comments	

<i>&lt;Insert Incentive Scheme #4&gt;</i>	
Entity being incentivised	
KPI description	
Type of incentive	
Formula	
Justification	
Description of performance variation levels and the applicable level of bonuses and penalties	
Additional comments	



## 4.1 - Incentive schemes for the capacity targets

Number of incentive schemes	4
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<b>&lt;Incentive scheme / Capacity / Finland&gt;</b>	
Entity being incentivised	<i>Finavia Corporation</i>
KPI description	<i>En route ATFM delay</i>
Type of incentive	Financial nature
Formula	2015-2016 Dead band: 0,05min/flt - 0,13min/flt 2017-2019 Dead band: 0,05min/flt - 0,14min/flt
Justification	<i>According to regulation 390 / 2013</i>
Description of performance variation levels and the applicable level of bonuses and penalties	<p>2015-2016</p> <p>0,02min / flt or better: Bonus: 1 % of the revenues from air navigation services in year n 0,03min / flt: Bonus: 0,5 % of the revenues from air navigation services in year n 0,04min / flt: Bonus: 0,2% of the revenues from air navigation services in year n 0,14min / flt: Penalty: 0,2 % of the revenues from air navigation services in year n 0,15min / flt: Penalty: 0,5 % of the revenues from air navigation services in year n 0,16min / flt or worse: Penalty: Penalty: 1% of the revenues from air navigation services in year n</p> <p>2017-2019</p> <p>0,02min / flt or better: Bonus: 1 % of the revenues from air navigation services in year n 0,03min / flt: Bonus: 0,5 % of the revenues from air navigation services in year n 0,04min / flt: Bonus: 0,2% of the revenues from air navigation services in year n 0,15min / flt: Penalty: 0,2 % of the revenues from air navigation services in year n 0,16min / flt: Penalty: 0,5 % of the revenues from air navigation services in year n 0,17min / flt or worse: Penalty: Penalty: 1% of the revenues from air navigation services in year n</p>
Additional comments	This incentive scheme has been set to encourage ANSP to perform better in the area of capacity, while at the same time less demanding actual capacity target has positive impact in the area of cost-efficiency.

<b>&lt;Incentive scheme / Capacity / Estonia&gt;</b>	
Entity being incentivised	<i>EANS</i>
KPI description	<i>En route ATFM delay</i>
Type of incentive	Financial nature
Formula	2015-2016 Dead band: 0,05min/flt - 0,13min/flt 2017-2019 Dead band: 0,05min/flt - 0,14min/flt
Justification	<i>According to regulation 390 / 2013</i>
Description of performance variation levels and the applicable level of bonuses and penalties	<p>2015-2016</p> <p>0,02min / flt or better: Bonus: 1 % of the revenues from air navigation services in year n 0,03min / flt: Bonus: 0,5 % of the revenues from air navigation services in year n 0,04min / flt: Bonus: 0,2% of the revenues from air navigation services in year n 0,14min / flt: Penalty: 0,2 % of the revenues from air navigation services in year n 0,15min / flt: Penalty: 0,5 % of the revenues from air navigation services in year n 0,16min / flt or worse: Penalty: Penalty: 1% of the revenues from air navigation services in year n</p> <p>2017-2019</p> <p>0,02min / flt or better: Bonus: 1 % of the revenues from air navigation services in year n 0,03min / flt: Bonus: 0,5 % of the revenues from air navigation services in year n 0,04min / flt: Bonus: 0,2% of the revenues from air navigation services in year n 0,15min / flt: Penalty: 0,2 % of the revenues from air navigation services in year n 0,16min / flt: Penalty: 0,5 % of the revenues from air navigation services in year n 0,17min / flt or worse: Penalty: Penalty: 1% of the revenues from air navigation services in year n</p>
Additional comments	This incentive scheme has been set to encourage ANSP to perform better in the area of capacity, while at the same time less demanding actual capacity target has positive impact in the area of cost-efficiency.

<b>&lt;Insert Incentive Scheme /Capacity/Latvia&gt;</b>	
Entity being incentivised	<i>LGS</i>
KPI description	<i>En route ATFM delay</i>
Type of incentive	Financial nature
Formula	2015-2016 Dead band: 0,05min/flt - 0,13min/flt 2017-2019 Dead band: 0,05min/flt - 0,14min/flt

Justification	According to regulation 390 / 2013
Description of performance variation levels and the applicable level of bonuses and penalties	<p>2015-2016</p> <p>0,02min / fjt or better: Bonus: 1 % of the revenues from air navigation services in year n</p> <p>0,03min / fjt: Bonus: 0,5 % of the revenues from air navigation services in year n</p> <p>0,04min / fjt: Bonus: 0,2% of the revenues from air navigation services in year n</p> <p>0,14min / fjt: Penalty: 0,2 % of the revenues from air navigation services in year n</p> <p>0,15min / fjt: Penalty: 0,5 % of the revenues from air navigation services in year n</p> <p>0,16min / fjt or worse: Penalty: Penalty: 1% of the revenues from air navigation services in year n</p> <p>2017-2019</p> <p>0,02min / fjt or better: Bonus: 1 % of the revenues from air navigation services in year n</p> <p>0,03min / fjt: Bonus: 0,5 % of the revenues from air navigation services in year n</p> <p>0,04min / fjt: Bonus: 0,2% of the revenues from air navigation services in year n</p> <p>0,15min / fjt: Penalty: 0,2 % of the revenues from air navigation services in year n</p> <p>0,16min / fjt: Penalty: 0,5 % of the revenues from air navigation services in year n</p> <p>0,17min / fjt or worse: Penalty: Penalty: 1% of the revenues from air navigation services in year n</p>
Additional comments	This incentive scheme has been set to encourage ANSP to perform better in the area of capacity, while at the same time less demanding actual capacity target has positive impact in the area of cost-efficiency.

<i>&lt;Insert Incentive Scheme /Capacity/Norway&gt;</i>	
Entity being incentivised	Avinor AS
KPI description	En route ATFM delay
Type of incentive	Financial nature
Formula	2015-2016 Dead band: 0,05min/fjt - 0,13min/fjt 2017-2019 Dead band: 0,05min/fjt - 0,14min/fjt
Justification	According to regulation 390 / 2013
Description of performance variation levels and the applicable level of bonuses and penalties	<p>2015 - 2016:</p> <p>Over/under-achievement (Percentage) Aggregated Penalties/Bonuses (Percentage)</p> <p>0,02 min / fjt or better Bonus: 1 % of the revenues from air navigation services in year n</p> <p>0,03 min / fjt Bonus: 0,5 % of the revenues from air navigation services in year n</p> <p>0,04 min / fjt Bonus: 0,2% of the revenues from air navigation services in year n</p> <p>Dead band 0,05 min / fjt – 0,13 min / fjt</p> <p>0,14 min / fjt Penalty: 0,2 % of the revenues from air navigation services in year n</p> <p>0,15 min / fjt Penalty: 0,5 % of the revenues from air navigation services in year n</p> <p>0,16 min / fjt or worse Penalty: 1% of the revenues from air navigation services in year n</p> <p>2017 - 2019:</p> <p>Over/under-achievement (Percentage) Aggregated Penalties/Bonuses (Percentage)</p> <p>0,02 min / fjt or better Bonus: 1 % of the revenues from air navigation services in year n</p> <p>0,03 min / fjt Bonus: 0,5 % of the revenues from air navigation services in year n</p> <p>0,04 min / fjt Bonus: 0,2% of the revenues from air navigation services in year n</p> <p>Dead band 0,05 min / fjt – 0,14 min / fjt</p> <p>0,15 min / fjt Penalty: 0,2 % of the revenues from air navigation services in year n</p> <p>0,16 min / fjt Penalty: 0,5 % of the revenues from air navigation services in year n</p> <p>0,17 min / fjt or worse Penalty: 1% of the revenues from air navigation services in year n</p>
Additional comments	This incentive scheme has been set to encourage ANSP to perform better in the area of capacity, while at the same time less demanding actual capacity target has positive impact in the area of cost-efficiency.

## 4.1 - Incentive schemes for the cost-efficiency targets

The parameters used by the Member States in the setting of the risk-sharing mechanism defined in Article 13 and 14 of the charging Regulation will be detailed under lines 3.13 and 3.14 of Reporting Table 2 as per Annex Therefore, the information is included in the Reporting Tables attached in Annex C.

## SECTION 5: MILITARY DIMENSION OF THE PLAN

Mapping between the template for the FAB performance plan and Annex II of the performance Regulation				
Structure of ANNEX II of the performance Regulation	Link with PRB Performance Plan template			
	Body of Performance Plan	Annex C For cost-efficiency		Other annexes
		RT ref.	AI ref.	
5. MILITARY DIMENSION OF THE PLAN	5			
Description of the civil-military dimension of the plan describing the performance of FUA application in order to increase capacity with due regard to military mission effectiveness, and if deemed appropriate, relevant performance indicators and targets consistent with the indicators and targets of the performance plan.				

## 5 - MILITARY DIMENSION OF THE PLAN

### MILITARY DIMENSION OF THE PLAN

The NEFAB Agreement reiterates the importance of civil-military cooperation and application of FUA, while safeguarding national sovereignty rights. “The objective of NEFAB is to achieve optimum performance in the areas relating to safety, environmental sustainability, capacity, cost-effectiveness, flight efficiency and military mission effectiveness, by the design of airspace and the organisation of air traffic management in the airspace concerned regardless of existing borders.”

Implementation of the SES regulations and NEFAB Agreement is seen as the key driver for achievement of NEFAB civil-military performance objectives.

The Republic of Estonia, the Republic of Latvia and the Kingdom of Norway are full NATO Member States. The Republic of Finland is a member of NATO’s Partnership for Peace. The organisation, the equipment and the training requirements of the national armed forces differ among the Contracting States. Norway and Finland use their fighter aircraft to perform air-policing missions, whilst Estonia and Latvia in their airspace accommodate the NATO Member States’ fighters in support of their air policing operation. Such diversity results in different airspace requirements for military operations and training. The NEFAB performance plan should duly address those different training and operational requirements.

The FUA concept has been implemented at national level. The national FUA processes and procedures are not harmonised among the Contracting States. Individual solutions for implementation of the FUA concept are the main constraints on effective and consistent application of the FUA concept across NEFAB. There is also a lack of interoperability among current ASM systems supporting daily airspace allocation. The lack of interoperable among ASM systems is the main shortcoming.

Civil-military cooperation in ATC provision is very well established at national level within the Contracting States. In addition to service provision to civilian air traffic, all NEFAB ANSPs provide en-route services to military traffic. Military traffic operates either within segregated military training or exercise areas (OAT) or as regular traffic in the same airspace as civilian traffic (GAT). OAT service provision is governed by national regulations and is not harmonised among the Contracting States. This is a shortcoming which may limit cross-border OAT service provision and operations.

Estonia and Latvia have accommodated cross-border military operation and training within the scope of NATO air policing activities. Norway and Finland practice a cross-border military training activities in the northern part of Finland and Norway. However, there is an interest for regular cross-border military training. A full commitment to implementation of the NEFAB performance plan with well-defined performance objectives for the second reference period is an opportunity for all Contracting States to achieve NEFAB’s high-level objectives. However, the lack of common oversight criteria and of a common performance monitoring process at NEFAB level is a shortcoming which could downgrade the opportunity.

#### Common Airspace policy

The Contracting States consider that NEFAB airspace should not be designated as either purely civil or purely military, but should be considered as a single continuum in which all users’ requirements have to be accommodated to the maximum extent possible. Within that environment, civil-military cooperation and coordination should be based on a civil-military performance-based partnership.

“Military airspace users constitute a different customer segment for the NEFAB ANSPs. The military depend on airspace structures suitable for their different types of operations. The airspace must be of sufficient dimensions and located so as to support the military missions as efficiently as possible. On the basis of these facts, good dialogue and structured consultation mechanisms are of importance for military airspace users as

well as for civil users. The NEFAB ANSPs will seek solutions where both flight efficiency for civil users and military mission effectiveness are ensured”.

Military users’ requirements and mission effectiveness will need to be assured through collaborative civil-military airspace design. Increased modularity in area design and optimised ASM scenarios are aimed at reducing the network effect of military airspace reservations.

**Additional (Key) Performance Indicators (and targets) relevant to civil military p**

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## 5 - MILITARY DIMENSION OF THE PLAN

### 5.1 - Application of FUA legislation to improve capacity

#### Application of FUA legislation

The ultimate goal is to apply a performance-driven FUA across NEFAB airspace. Application of FUA should contribute to EU-wide and NEFAB performance outcomes while safeguarding national security and defence interests. The application shall be based on the following principles:

- Coordination between civil and military authorities shall be organised at the strategic, pre-tactical and tactical levels of airspace management through the establishment of agreements and procedures in order to increase safety and airspace capacity, and to improve the efficiency and flexibility of aircraft operations.
- Consistency between airspace management, air traffic flow management and air traffic services shall be established and maintained at the three levels of ASM in order to ensure efficiency in airspace planning, allocation and use for the benefit of all users.
- The reservation of airspace for exclusive or specific use by categories of users shall be of a temporary nature, applied only during limited periods of time on the basis of actual use, and the airspace concerned shall be released as soon as the activity requiring its reservation ceases.
- The Contracting States shall develop cooperation for the efficient and consistent application of the FUA concept across national borders and/or the boundaries of flight information regions, and shall address cross-border activities when and where these are justified by operational needs.
- Cross-border cooperation shall cover all relevant legal, operational and technical matters.
- Air traffic service units, military control units and airspace users shall make the best use of the available airspace.
- The national supervisory authorities (NSAs) of the Contracting States regard EUROCONTROL's Specifications for the application of the Flexible Use of Airspace (FUA), edition dated 10.1.09, as acceptable means of compliance in support of implementation and application of the Commission Regulation (EC) No 2150/2005 of 23 December 2005 laying down common rules for the flexible use of airspace.
- The Contracting States shall agree on common performance objectives, indicators and targets as appropriate, applicable for all three level of FUA. NSAs shall carry out performance monitoring, applying a consistence methodology.

#### Military mission effectiveness

Given the diversity of the Member States' combat tactics and types of airborne platforms and weapon systems, the application of common military mission requirements is virtually impossible to achieve. However, the application of a common performance monitoring methodology to measure how an ATM system affects military mission effectiveness should be implemented. In order to address specific national requirements, each Contracting State may set national performance targets. Estonia and Latvia do not require an SUA allocation for training of national armed forces. Consequently, the performance monitoring of a military mission effectiveness is not applicable for Estonia and Latvia.

Performance monitoring should strive to safeguard essential security or defence policy interests. Moreover, the purpose of military mission effectiveness performance monitoring should be to improve ATM outputs which affect military operations and training.

In order to support the establishment of a civil-military performance-based partnership, performance measurements of military mission effectiveness are to be integrated with FUA performance monitoring.

#### NEFAB Business Plan

The NEFAB 2015 scenario is characterised by an airspace design based on operational requirements without the constraints of national borders and with seamless transitions between ATS units. Free route airspace will be implemented in defined portions of NEFAB and sectors will be realigned (across borders) to support the traffic flows. Increased modularity in military area design will allow the airspace users and AMCs to apply optimised ASM scenarios which result in a reduced network effect. The project focuses on the following main

elements to contribute to the achievement of the performance targets.

Capacity KPA

The main expectation of GAT airspace users and ANSPs with regard to FUA is maximisation of airspace capacity for GAT IFR flights. This should be achieved through the optimisation of airspace planning and utilisation across all FUA levels. The impact of FUA on ATM capacity should be addressed at NEFAB and local levels alike.

- More efficient AUP SUA booking contributes to network capacity.
- Timely release of allocated SUA for civil use improves local ATC capacity.

On the other hand, capacity demand for GAT IFR flights cannot overrule national security and defence needs. Unambiguous criteria and priority rules regarding airspace allocation/release must be established.

Environment KPA

Optimisation of SUA capacity available for planning of military training in accordance with actual user's requirements should improve CDR1 and free route segment availability. Consequently, it should contribute to improved en-route flight efficiency. More efficient AUP SUA booking, on the basis of actual user needs, increases CDR2 and free route segment availability.

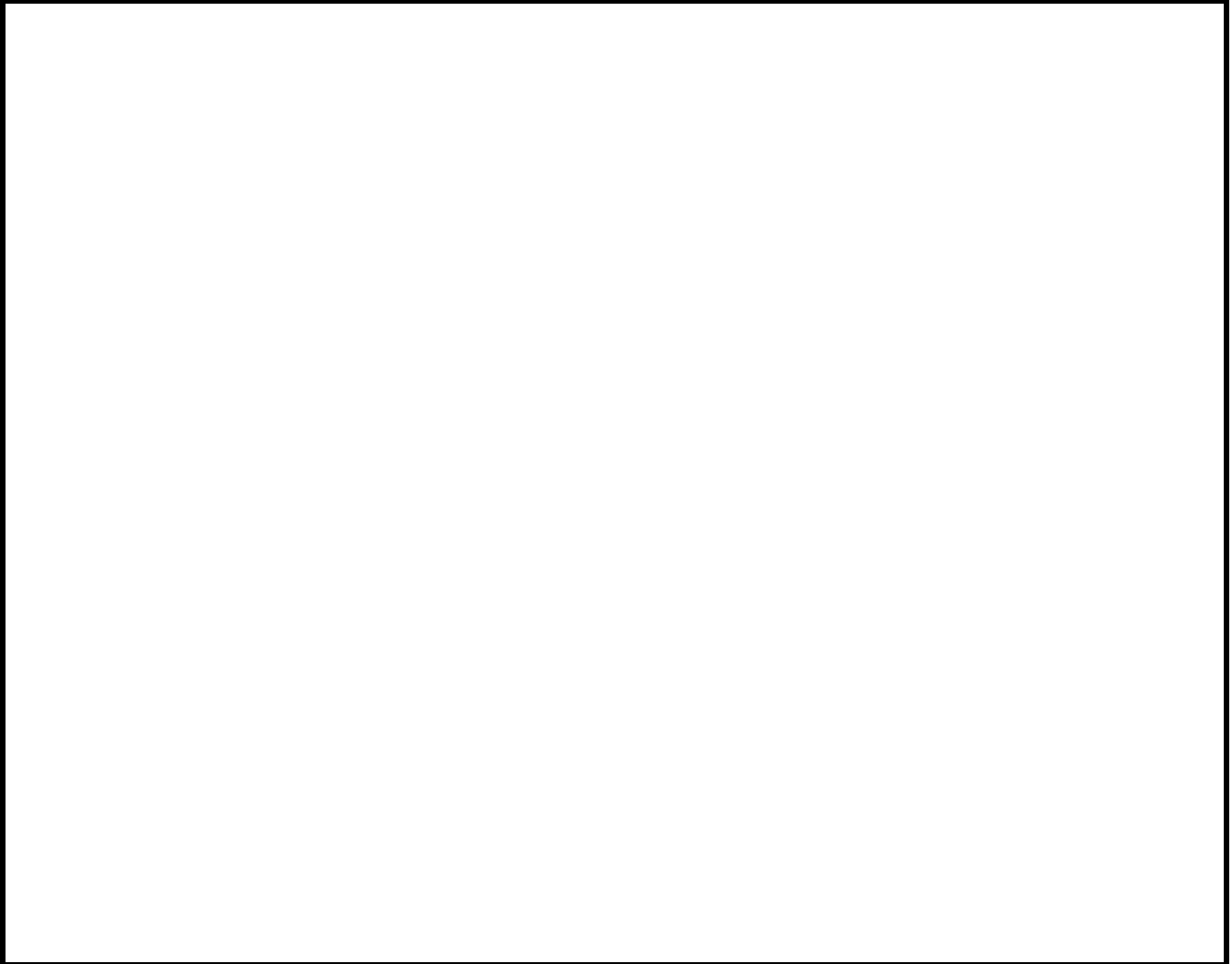


## SECTION 6: ANALYSIS OF SENSITIVITY AND COMPARISON WITH THE PREVIOUS PERFORMANCE PLAN

Mapping between the template for the FAB performance plan and Annex II of the performance Regulation				
Structure of ANNEX II of the performance Regulation	Link with PRB Performance Plan template			
	Body of Performance Plan	Annex C For cost-efficiency		Other annexes
		RT ref.	AI ref.	
6. ANALYSIS OF SENSITIVITY AND COMPARISON WITH THE PREVIOUS PERFORMANCE PLAN	6			
6.1. Sensitivity to external assumptions.	6.1			
6.2. Comparison with previous performance plan.	6.2			

## 6 - ANALYSIS OF SENSITIVITY AND COMPARISON WITH THE PREVIOUS PER

### 6.1 - Sensitivity to external assumptions



## 6.2 - Comparison with previous performance plan

### **Finland:**

The overall performance of Finland is very good. Since the cost-efficiency and capacity are strongly interrelated and despite of the excellent historical achievements in capacity during RP1, Finland needs to aim for less challenging capacity targets for RP 2, thus allowing slightly more average delay per flight. Keeping up an extremely high capacity might lead to situation where there is actually extensive over capacity in the times of lower traffic flows.

In the RP1 performance plan Finland decided to use STATFOR high case traffic forecast due to unexpected, strong growth in traffic before RP1. However, traffic volume has not increased as expected. Economy in Finland has been sluggish and exceptionally many companies have ceased operations to and from Finland. The difference in TSUs has already generated significant losses during 2012- 2013 and significant losses are expected also in 2014 from the traffic risk sharing (around -1,5 M€2009 per year) for Finavia.

Finland has decided to use for traffic assumption STATFOR baseline. Low forecast would give Finland 4,4 % total increase in traffic during RP2 and baseline would give increase of 14 %. Economy in Finland is showing now some recovery (although slow) and because of the recent activity (for example several new AOC applications) it is expected that baseline forecast would be more realistic.

During RP1 Finland's information regarding civ / mil airspace usage is based on manual data collection. It has been planned that LARA/PRISMIL will be in use in NEFAB area during 2015 which would help with the monitoring process.

### **Estonia:**

In RP1 overall performance of Estonia is very good. In the first two years of RP1 actual traffic volumes were below NPP forecast. For RP2 Estonia is decided to use STATFOR baseline traffic forecast .

### **Latvia:**

In RP1 overall performance of Latvia (including cost-efficiency KPI) is very good. In the first two years of RP1 actual traffic volumes were close to those planned in NPP and in 2012 Latvia had lower unit costs than the DUR planned in the adopted NPP.

Performance delivered by LGS in RP1 and local circumstances in economic development will be taken into consideration when setting the cost-efficiency targets for the second reference period.

### **Norway:**

Norway was only slightly affected by the financial crises and the Euro debt crises. In contrast to many other European countries Norway therefore saw a higher increase in traffic than what was projected in the performance plan. Despite of this Avinor A/S reduced its cost base. The cost savings can be explained by understaffing and postponed investments. The costs are expected to increase in 2013 and 2014.

In the area of cost-efficiency Avinor A/S has delivered more than expected. This will be taken into consideration when setting the cost-efficiency targets for the second reference period. In the area of capacity Avinor A/S had significant delays in the summer of 2012. These problems have been resolved.

In summary the first reference period can be deemed a success. However there are still some room for improvements.

First the level of detail in the performance plan should allow both the Norwegian Civil Aviation Authority and stakeholders to easily verify if the ANSP achieves the set targets and what assumption the targets are based upon. This is especially important for investments. The investments in RP2 will increase the costs of capital significantly, and it's important that both the benefits and costs are visible and testable.

Secondly the capacity target should be based on the cost optimum model. In the first reference period the

capacity targets were set against the backdrop of a historical trend. This method for calculating the capacity target doesn't take into account that the ANSP may have had excess capacity for extended periods compared to the cost optimum. This will be taken into account in the performance plan for the second reference period. Even though Avinor A/S delivered more than expected in the area of cost efficiency in the first reference period, the Norwegian Civil Aviation Authority believe that there are still rooms for cost efficiency improvements. The strong contribution in the first reference period can therefore not be an excuse for not contributing to the EU-wide targets in the second reference period.

## SECTION 7: IMPLEMENTATION OF THE PERFORMANCE

Mapping between the template for the FAB performance plan and Annex II of the performance Regulation				
Structure of ANNEX II of the performance Regulation	Link with PRB Performance Plan template			
	Body of Performance Plan	Annex C For cost-efficiency		Other annexes
		RT ref.	AI ref.	
<b>7. IMPLEMENTATION OF THE PERFORMANCE PLAN</b>	7			
Description of the measures put in place by the national supervisory authorities to achieve the performance targets, such as:				
(i) monitoring mechanisms to ensure that the ANS safety programmes and business plans are implemented;				
(ii) measures to monitor and report on the implementation of the performance plans including how to address the situation if targets are not reached during the reference period.				

## 7 - IMPLEMENTATION OF THE PERFORMANCE PLAN

NEFAB NSA Committee is responsible for monitoring and overseeing NEFAB performance. The NSAs are responsible for performance oversight and monitoring at national level.

NEFAB NSA Committee reports to the NEFAB Council.

Finland:

The NSA (Finnish Transport Safety Agency) shall monitor the performance of the Accountable Entities against the targets set in this Performance Plan. The NSA will monitor the performance of the entities starting six months after the commencement of RP 1, and every six months from then on. This monitoring does not include formal reporting.

For the purposes of formal reporting as required by the Performance Scheme Regulation, following procedure is proposed:

1. Accountable Entities report actual performance in the previous year, and possible revisions to the plans for the remaining years of the period.
2. NSA reviews reports provided by Accountable Entities, and evaluates progress.

Further clarifications shall be requested as seen necessary.

3. NSA prepares Annual Progress Report and submits it to Ministry of Transport and Communications

4. Ministry of Transport and Communications reviews Annual Progress Report. The NSA amends the report if requested by the Ministry of Transport and Communications.

Ministry of Transport and Communications approves the report and submits it to Commission.

### NSA commitment for data provision

	Active			Inactive
	Date of implementation	Periodicity	Focal point	
Airport dataflow				
Civil Military dataflow				

Number of other dataflows	<a href="#">Click to select number of other dataflows</a>
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Additional comments

## 8 - ANNEXES

The following annexes should be provided as part of the local performance plans. These should be completed with any other documentation relevant for the targets justifications.

**Annex A. Public consultation material**

**Annex B. Relevant documentation in line with the NSP**

**Annex C. Reporting Tables**

Reporting Table 1 (Total costs) and Table 2 (Unit rate calculation) and “additional information” as per Article 9 of the charging Regulation (Transparency of costs and of the charging mechanism) for each entity and consolidated at national/charging zone/FAB level from June 2014.

**Annex D. ANSPs investment plans**

**Annex E. Additional material**