

# Performance Plan

## Ireland

Third Reference Period (2020-2024)

Status: Draft performance plan containing revised RP3 targets (Art. 3 of IR 2020/1627 & Art. 12 of IR

Date of issue: 4.45E+04



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*\* Only as per Article 15(6) of the Regulation*

## Signatories

Performance plan details	
State name	Ireland
Status of the Performance Plan	Draft performance plan containing revised RP3 targets (Art. 3 of IR 2020/1627 & Art. 12 of IR 2019/317)
Date of issue	01/10/2021
Date of adoption of Draft Performance Plan	01/10/2021
Date of adoption of Final Performance Plan	

We hereby confirm that the present performance plan is consistent with the scope of Regulation (EU) No 2019/317 pursuant to Article 1 of Regulation (EU) No 2019/317 and Article 7 of Regulation (EC) No 549/2004.

Name, title and signature of representative	
Fintan Towey Director General of Civil Aviation in Ireland	

Additional comments	
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Document change record		
Version	Date	Reason for change
1.1	01/10/2021	
1.2	17/11/2021	Verification of Completeness updates
1.3	09/02/2022	Revision of Environment KPA targets

## SECTION 1: INTRODUCTION

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### **1.1 The situation**

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## 1 - INTRODUCTION

### 1.1 - The situation

NSA(s) responsible for drawing up the Performance Plan	IAA Safety Regulation Division (SRD), and Commission for Aviation Regulation (CAR)
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#### 1.1.1 - List of ANSPs and geographical coverage and services

Number of ANSPs	2
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ANSP name	Services	Geographical scope
IAA	ANS Provision	En Route air navigation services in the Shannon Flight Information Region (FIR) and Shannon Upper Information Region (UIR). Terminal services provided at Dublin, Shannon and Cork airports.
Met Eireann Aviation Services Division (ASD)	Meteorological services for ANS	En Route air navigation services in the Shannon Flight Information Region (FIR) and Shannon Upper Information Region (UIR). Terminal services provided at Dublin, Shannon and Cork airports.

#### Cross-border arrangements for the provision of ANS services

Number CB arrangements where ANSPs provide services in an other State	0
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Number CB arrangements where ANSPs from another State provide services in the State	0
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#### 1.1.2 - Other entities in the scope of the Performance and Charging Regulation as per Article 1(2) last para.

Number of other entities	3
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Entity name	Domain of activity	Rationale for inclusion in the Performance Plan
IAA SRD	National Supervisory Authority	Qualifying entity incurring eligible costs as per Article 15(2) of Regulation (EC) No 550/2004
CAR	National Supervisory Authority	Qualifying entity incurring eligible costs as per Article 15(2) of Regulation (EC) No 550/2004
Department of Transport, Air Navigation Services division	Member State	Qualifying entity incurring eligible costs as per Article 15(2) of Regulation (EC) No 550/2004

#### 1.1.3 - Charging zones (see also 1.4-List of Airports)

<b>En-route</b>	Number of en-route charging zones	1
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En-route charging zone 1	Ireland
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<b>Terminal</b>	Number of terminal charging zones	1
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Terminal charging zone 1	Ireland - TCZ
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#### 1.1.4 - Other general information relevant to the plan

This Performance Plan is accompanied by and should be read alongside the NSA's consultation document published in July 2021, our decision document where we address the consultation responses received, and our updated main Performance Plan financial model which shows the derivation of figures, charts, and forecasts. The IAA ANSP Business Plan is also published and referenced where appropriate. This material is also published on the following page: <https://www.aviationreg.ie/air-navigation-charges/performance-plan-with-revised-targets-for-rp3.1002.html> Other material which is appended to the revised Performance Plan are the business plan submissions from the regulated entities and the consultation responses received, which are also published on that page.

The plan has been updated for the October STATFOR forecasts during the verification of completeness phase. The related supplementary consultation, responses, and decision documents, as well as the updated financial financial model, have been published.

#### Relevant local circumstances with high significance for performance target setting and updated view on the impact of the COVID-19 crisis on the operational and financial situation of ANSPs covered in the performance plan

Overall, the draft Performance Plan aligns with the safety target for each year, the capacity reference values, and significantly outperforms the DUC target in every year. The commissioning of new facilities such as the En Route Contingency Centre (CEROC) has impacted the DUC for 2022. The CEROC will enhance the capability of the IAA ANSP to reliably provide the required level of safety, capacity, and environmental performance for En Route traffic.

At the terminal level, a major project will be delivered later this year in order to facilitate the commencement of dual runway operations at Dublin Airport, now expected from August 2022; a new €50m control tower. As well as the associated capital cost, the NSA forecasts that an increase in ATCO staffing levels will be required from 2023 in order to staff the new positions, and more engineers associated with the increased infrastructural footprint of the IAA ANSP and increased scope of services it will be providing.

Given the significant change between the November 2020 and October 2021 traffic forecasts, it has been necessary to update to Environment KPA targets to maintain the incentive created by realistic targets. *(please note that this change has now been reversed as of Feb 2022, and the ENV KPA targets aligned with the reference values.)*

As with other ANSP's, the COVID-19 crisis led to a large reduction in revenue, with service falling by approximately 60% relative to 2019. However, the IAA ANSP entered the crisis in a strong financial position and funded the revenue gap through retained earnings rather than debt. The NSA has carried out a financial stress test of the IAA ANSP, details of which are contained in our decision document.

#### Additional comments

In line with Irish government policy, the institutional framework for the provision of air navigation services, and the oversight of these services, is currently undergoing a process of change. The Irish Aviation Authority (IAA) is being separated into its two constituent parts, the Air Navigation Services Provider (ANSP), and the Safety Regulation Division (SRD). SRD will remain as the IAA, while the ANSP will be incorporated as a new commercial company. The existing, separate Commission for Aviation Regulation (CAR), which has roles in economic regulation, licensing, and consumer protection in aviation, will then be merged into the IAA to form a new independent sectoral regulator with responsibility for aviation regulation in relation to safety, security, licensing, economic regulation, and passenger rights.

The development and submission of the original RP3 Performance Plan in 2019 was carried out within the IAA, as the designated NSA under the SES performance and charging regulation. The designation as NSA responsible for economic regulation and cost efficiency was transferred to CAR on 1 January 2020. The SRD function of the IAA has retained NSA responsibilities under the SES other than economic regulation, including safety oversight and licensing.

When the merger is completed, all of these oversight functions will sit within the new regulator. Where we refer to 'the NSA', this should be taken to mean both CAR and the IAA SRD jointly, in advance of vesting day. From vesting day, 'the NSA' should be taken to refer to the IAA. Where we refer to 'the IAA ANSP', in advance of vesting day, this refers to the ANSP currently contained within the IAA. From vesting day, 'the IAA ANSP' should be taken to refer to the Designated Activity Company (DAC) referred to in Section 10 of the Air Navigation and Transport Bill 2020. We currently understand that this company is likely to trade under the name 'AirNav Ireland'.

For further detail, see section 2 of the Consultation document.



## 1.2 - Traffic Forecasts

### 1.2.1 - En route

#### En route Charging zone 1

Ireland

#### En route traffic forecast

Local forecast

Local Forecast	2017A	2018A	2019A	2020A	2021	2022	2023	2024	CAGR
									2019-2024
IFR movements (thousands)	621	635	647	263	281	554	634	642	-0.1%
IFR movements (yearly variation in %)		2.3%	1.8%	-59.3%	6.9%	97.0%	14.3%	1.3%	
En route service units (thousands)	4,465	4,550	4,641	1,988	2,312	3,991	4,883	4,893	1.1%
En route service units (yearly variation in %)		1.9%	2.0%	-57.2%	16.3%	72.6%	22.3%	0.2%	

Specific local factors justifying not using the STATFOR base forecasts  
(provide justification below or refer to Annex D for more detailed explanation)

This plan was updated using the STATFOR OCTOBER 2021 forecasts. The figures for 2021-24 reflect this change.

*NOTE: Section 1.3 (Stakeholder Consultation) should include details on the consultation with airspace users' representatives and ANSPs concerned on the rationale for not using the STATFOR base forecasts.*

### 1.2.2 - Terminal

#### Terminal Charging zone 1

Ireland - TCZ

#### Terminal traffic forecast

Local forecast

Local Forecast	2017A	2018A	2019A	2020A	2021	2022	2023	2024	CAGR
									2019-2024
IFR movements (thousands)	132.2	137.9	140.7	53.8	54	129	132	139	-0.3%
IFR movements (yearly variation in %)		4.3%	2.0%	-61.8%	0.3%	138.7%	2.6%	4.9%	
Terminal service units (thousands)	171.7	182.5	187.7	70.5	70.0	166.2	175.4	183.3	-0.5%
Terminal service units (yearly variation in %)		6.3%	2.8%	-62.4%	-0.8%	137.5%	5.5%	4.5%	

Specific local factors justifying not using the STATFOR base forecasts  
(provide justification below or refer to Annex D for more detailed explanation)

This plan was updated using the STATFOR OCTOBER 2021 forecasts. The figures for 2021-24 reflect this change.

*NOTE: Section 1.3 (Stakeholder Consultation) should include details on the consultation with airspace users' representatives and ANSPs concerned on the rationale for not using the STATFOR base forecasts.*

## 1.3 - Stakeholder consultation

### 1.3.1 - Overall outcome of the consultation of stakeholders on the performance plan

Description of main points raised by stakeholders and explanation of how they were taken into account in developing the performance plan
<p><u>Main Consultation:</u> The IAA ANSP and Staff Panel are concerned that the assigned environment KPA target is too ambitious, and that it is not within their control to meet this target. This was considered by the NSA and is discussed further in the decision document, however the NSA decided not to deviate from the national reference value. They also consider that the NSA's cost proposals were insufficient to achieve the capacity targets. On the other hand, the airspace users generally supported the proposed capacity and environment targets. No party disagreed with the proposed safety targets.</p> <p>The IAA ANSP and staff panel disagreed with the Operating Cost forecasts developed by Steer on behalf of the NSA, considering them to be unachievably low in order to sustain service quality. On the other hand, the airspace users and their representatives generally considered that the real increases in costs relative to 2019 were not fully justified, and requested a further review of the cost lines to seek further efficiencies (although one airline supported the forecasts). The NSA and Steer took these views into account in the development of the final forecasts, as is set out in detail in Steer's consultation response report.</p> <p>Several airlines and IATA disagreed with our proposal to aim up the WACC for 2022-2024. Having considered the arguments of the airlines, we have removed the aiming up allowance from the WACC calculation. On the other hand, the IAA ANSP considered that our proposed baseline real WACC of 3.5% was based on an asset beta which was too low. Further detail of this is provided in the decision document.</p> <p>On interdependencies, the Staff Panel and the IAA ANSP are concerned that we did not sufficiently consider the interdependencies between safety, capacity and cost. These comments have been considered and are reflected in the Steer consultation response report and the decision document.</p> <p>In relation to the proposed Capex plan, several airlines raised concerns about whether the plan is achievable and ask that a performance metric or process be implemented to ensure that it is delivered as planned. On the other hand, the ANSP is concerned that the Capex allowance is too low, and disputed the asset life adjustments made by the NSA.</p> <p><u>Supplementary Consultation</u></p> <p>The IAA ANSP is opposed to the traffic update for the October forecasts. In the event that the traffic update is implemented, the IAA ANSP is supportive of the revised Environment targets, but believes the capacity target should be increased or the financial penalties should be suspended. All other respondents support the traffic update. Some airspace users query the extent of the corresponding cost increase. Airspace users did not support the extent of the increase to the environment targets.</p>

### 1.3.2 - Specific consultation requirements of ANSPs and airspace users on the performance plan

Topic of consultation	Applicable	Results of consultation
Where applicable, decision to diverge from the STATFOR base forecast	No	
Charging policy	Yes	The charging policy is unchanged from the consultation. There were no comments received on this topic, with the exception of the ANSP's disagreement over the NSA's decision to extend the recovery of 2020/2021 unrecovered revenue to 7 years. This decision has remained unchanged as it allows a smoother impact on unit rates over time thereby balancing the interests of the IAA ANSP and airspace users.
Maximum financial advantages and disadvantages for the mandatory incentive scheme on capacity	Yes	The incentive schemes maximum financial advantages and disadvantages have remained unchanged from the consultation. The penalty-only scheme was supported by airspace users.  This was then subsequently adjusted based on the supplementary consultation.
Where applicable, decision to modulate performance targets for the purpose of pivot values to be used for the mandatory incentive scheme on capacity	No	
Symmetric range ("dead band") for the purpose of the mandatory incentive scheme on capacity	Yes	The deadband has remained unchanged for the capacity incentive scheme.
Establishment or modification of charging zones	No	
Establishment of determined costs included in the cost base for charges	Yes	The determined costs (operating and capital) have changed based on the responses received from the IAA ANSP, Staff Panel, and airspace users. Full detail of this is given in the Steer consultation response report and the decision document.

Where applicable, values of the modulated parameters for the traffic risk sharing mechanism	No	
Where applicable, decision to apply the simplified charging scheme	No	
New and existing investments, and in particular new major investments, including their expected benefits	Yes	The IAA ANSP considered that the programme level adjustment proposed by the NSA was inappropriate, while the airspace users sought further details on certain projects, and considered that the timeline for delivery of the investment programme is ambitious. The NSA considered these points but concluded that the forecast level of investment included in the consultation proposal should remain unchanged following the consultation. Further details on the projects are set out in the decision document.

### 1.3.3 - Consultation of stakeholder groups on the performance plan

<b>#1 - ANSPs</b>	
Stakeholder group composition	IAA ANSP, MET Eireann ASD
Dates of main meetings / correspondence	The main consultation meeting was held on 26 August 2021. A written response was received from the IAA ANSP on 31 August 2021, which has been published on the RP3 page. A supplementary 1-week limited scope public consultation was held in November.
Main issues discussed	<p>The main issues the ANSP raised during the consultation process were: the environment target is too challenging, more so than the EU wide target; there are insufficient operating costs proposed to meet capacity targets and the incentive scheme penalty is too harsh; the ANSP is concerned about increases in NSA costs over RP3; the capex allowance is too low, the asset lives are too long; the forecast profitability is reported incorrectly in consultation material.</p> <p style="text-align: center;"><u>Supplementary Consultation</u></p> <p>The main issues raised by the IAA ANSP were: lack of support for the October forecasts as they are too optimistic; however if this update is made, the updated environment targets are welcome; the sudden change in the near term forecasts creates a practical challenge for the ANSP to deliver the required capacity, notwithstanding the increase in Opex, thus the capacity target should be adjusted and/or the penalties set to zero for 2022/2023.</p>
Actions agreed upon	The NSA agreed to take into account these issues, and to make changes to the proposed Performance Plan if sufficient evidence that this is warranted is provided in the written submission.
Points of disagreement and reasons	<p>The environment target is appropriate given the importance of setting a challenging target in this area. Similarly, the NSA does not agree that the cost/capacity combination is not attainable, as is detailed further in the decision document. The NSA has built the capital cost allowances from the ground up and considers that its asset lives appropriately reflect the useful life of the relevant assets. The NSA considers that the level of forecast expenditure is reasonable based on the project costings it has reviewed, and past experience of under-delivery on investment programmes. Further discussion of the points raised is provided in the decision document.</p> <p style="text-align: center;"><u>Supplementary consultation</u></p> <p style="text-align: center;">We continue to update the traffic forecasts based on STATFOR October forecasts.</p>
Final outcome of the consultation	<p>The operating cost forecasts have been updated to reflect some of the points raised by the ANSP, and are now higher, as detailed in the Steer consultation response report. The capacity and environment targets and incentive schemes are unchanged for the reasons set out above and provided in the decision document. The profitability forecasting issue has been clarified and adjusted in the published Performance Plan financial model.</p> <p style="text-align: center;"><u>Supplementary Consultation</u></p> <p style="text-align: center;">The capacity incentive schemes have been adjusted.</p>

Additional comments

<b>#2 - Airspace Users</b>	
Stakeholder group composition	IATA, Aer Lingus, British Airways, Etihad, IAG, Atlas Air, Ryanair, Swiss Air, Virgin Atlantic

Dates of main meetings / correspondence	The main consultation meeting was held on 26 August 2021. Written responses were received from Aer Lingus, British Airways, Atlas Air, IATA, and Ryanair by 31 August 2021, which have been published on the RP3 page. A supplementary 1-week limited scope public consultation was held in November.
Main issues discussed	<p>The main topics discussed with airspace users were: the justification for the proposed real increase in ANSP operating costs relative to 2019; disagreement with the IAA ANSP on the likelihood of delays materialising; the necessity for certain Capex projects and how to ensure they are delivered on time; the inclusion of an aiming up allowance in the WACC for 2022-2024; the cost of equity being fully or partly waived; the possibility of state support for ANSPs; and the tight timeline of the consultation process.</p> <p style="text-align: center;"><u>Supplementary Consultation</u></p> <p>Airspace users all supported the update based on traffic forecasts. However, one airspace user did not support changing any element except for the traffic forecasts, whereas others accepted change elsewhere was reasonable but did not support the scale of the proposed Environment changes, and sought further explanation of the cost increases.</p>
Actions agreed upon	The NSA agreed to take into account these issues, and to make changes to the proposed Performance Plan if sufficient evidence that this is warranted is provided in the written submission.
Points of disagreement and reasons	The NSA considers that a real increase in operating expenditure for the IAA ANSP is required to meet the specific service levels, given local circumstances and an increase in the scope of services being provided (for example, dual runway operations at Dublin Airport). While some adjustments have been made to operating costs taking account of airline submissions, overall the IAA ANSP operating costs are now higher than proposed at consultation due to the points it raised in its submission. The NSA does not consider that enforcing a waiver of the cost of equity on the IAA ANSP has a strong theoretical or legal basis. The NSA did not determine the timeline for the revision of Performance Plans, but allowed a month-long public consultation for written submissions from stakeholders.
Final outcome of the consultation	<p>The NSA decided to remove the aiming up allowance from the WACC as discussed in the decision document. The Capex plan and allowance is unchanged. The opex allowance has been amended based on feedback from stakeholders, as is detailed in the Steer consultation response report. The NSA plans to implement a mechanism to monitor the progress of capex projects.</p> <p style="text-align: center;"><u>Supplementary Consultation</u></p> <p>We continue to use the traffic forecast supported by the airspace users.</p>

Additional comments

<b>#3 - Professional staff representative bodies</b>	
Stakeholder group composition	Forsa, AHCPS, IALPA
Dates of main meetings / correspondence	The main consultation meeting was held on 26 August 2021. A written response was received from the representative bodies on 31 August 2021, which has been published on the RP3 page. A supplementary 1-week limited scope public consultation was held in November.
Main issues discussed	<p>The primary concerns brought forward by the professional staff representative bodies are: the most appropriate traffic forecast is Scenario 1 rather than 2; the proposed operating costs are too low, the Steer report is not fit-for-purpose and the associated forecast staffing levels would be insufficient; and that the interdependencies between KPAs have not been properly considered by the NSA.</p> <p style="text-align: center;"><u>Supplementary Consultation</u></p> <p>The staff bodies support the update based on October forecasts. They continue to disagree with the approach taken in the Performance Plan, believe assumed staffing levels are insufficient, and consider that insufficient interdependency analysis has been carried out.</p>
Actions agreed upon	The NSA agreed to consider any evidence that was presented in written submissions regarding the interdependencies and the determined costs.
Points of disagreement and reasons	<p>The NSA believes that Scenario 2 is the most appropriate choice for the traffic forecasts in the Performance Plan, and has been recommended to NSAs. However the NSA may update the Performance Plan in October/November for the new Statfor forecasts, which will take account of the recent trends.</p> <p>The NSA considered the interdependencies, with the required level of performance in the Safety, Environment, and Capacity KPAs used as inputs to determine the required cost levels.</p>

Final outcome of the consultation	<p>The Operating Costs forecasts have been altered based on the feedback from all stakeholders, including the Staff Panel, and are now higher than the consultation proposal. This and the concerns regarding the interdependencies have been addressed in detail in both the Steer consultation response report and the decision document. The traffic forecasts are unchanged from the Consultation material.</p> <p style="text-align: center;"><u>Supplementary Consultation</u></p> <p>We continue to update the plan based on the October forecasts, as supported by the staff bodies.</p>
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Additional comments

<b>#4 - Airport operators</b>	
Stakeholder group composition	None provided a response to the consultation or attended the meeting.
Dates of main meetings / correspondence	
Main issues discussed	
Actions agreed upon	
Points of disagreement and reasons	
Final outcome of the consultation	

Additional comments

<b>#5 - Airport coordinator</b>	
Stakeholder group composition	Coordinators did not provide a response to the consultation or attend the meeting.
Dates of main meetings / correspondence	
Main issues discussed	
Actions agreed upon	
Points of disagreement and reasons	
Final outcome of the consultation	

Additional comments

<b>#6 - Other (specify)</b>	
Stakeholder group composition	None
Dates of main meetings / correspondence	
Main issues discussed	
Actions agreed upon	
Points of disagreement and reasons	
Final outcome of the consultation	

Additional comments



1.4 - List of airports subject to the performance and charging Regulation

1.4.1 - Airports as per Article 1(3) (IFR movements ≥ 80 000)

ICAO code	Airport name	Charging Zone	IFR air transport movements			
			2016	2017	2018	Average
EIDW	Dublin	Ireland - TCZ	214,048	222,326	232,414	222,929

1.4.2 Other airports added on a voluntary basis as per Article 1(4)

Number of airports	2		
ICAO code	Airport name	Charging Zone	Additional information
EICK	Cork	Ireland - TCZ	
EINN	Shannon	Ireland - TCZ	

Additional comments
No change from the original RP3 draft Performance Plan with regard to the continued inclusion of Cork and Shannon airports in a single Terminal Charging Zone alongside Dublin Airport.

1.5 - Services under market conditions

Number of services under market conditions	0
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1.6 - Process followed to develop and adopt a FAB Performance Plan

Description of the process
Not applicable

1.7 - Establishment and application of a simplified charging scheme

Is the State intending to establish and apply a simplified charging scheme for any charging zone/ANSP?	No
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## SECTION 2: INVESTMENTS

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### **2.1 - Investments - IAA**

- 2.1.1 - Summary of investments
- 2.1.2 - Detail of new major investments
- 2.1.3 - Other new and existing investments

### **2.2 - Investments - Met Eireann Aviation Services Division (ASD)**

- 2.2.1 - Summary of investments
- 2.2.2 - Detail of new major investments
- 2.2.3 - Other new and existing investments

### **Annexes of relevance to this section**

ANNEX E. INVESTMENTS

NOTE: The requirements as per Annex II, 2.2.(c) are addressed in item 4.1.2

## 2.1 - Investments - IAA

### 2.1.1 - Summary of investments

Number of new major investments	10
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#	Name of new major investment (i.e. above 5 M€)	Total value of the asset (capex or contractual leasing value)	Value of the assets allocated to ANS in the scope of the PP	Determined costs of investment (i.e. depreciation, cost of capital and cost of leasing) (in national currency)					Lifecycle (Amortisation period in years)	Allocation (%)*		Planned date of entry into operation
				2020	2021	2022	2023	2024		Enroute	Terminal	
1	COOPANS Builds 3.6 to 3.8 budget	8,000	6,400		256	807	992	954	8 years	75%	25%	2021-2023
2	New Dublin Radar 2 Replacement	5,000	4,000			59	258	251	15 years	75%	25%	2022
3	NAVAIDS replacement program	9,000	7,200		13	144	322	565	12 years	0%	100%	2021-2024
4	Dublin Tower - Building	36,391	36,391		1,466	3,046	3,004	2,981	40 years	0%	100%	2021
5	Dublin Tower - Equipment	13,466	13,466		684	1,783	2,363	2,278	12 years	0%	100%	2021
6	COOPANS 2019 Roadmap Builds	8,000	6,400				22	261	8 years	75%	25%	2023-2024
7	New En Route Contingency Centre at Ballygireen	12,255	12,255	132	1,891	1,864	1,808	1,718	Building 40 years & ATM systems 12 years	100%	0%	2020
8	Emergency Air Situation Display System (EASDS) Replacement	6,500	5,200	0	0	161	953	1,022	8 years	75%	25%	2023
9	Climate Action Plan (Sustainability Management Plan)	5,000	4,000	0	16	76	271	501	20 years	75%	25%	2021-2024
10	Plant upgrade works	7,169	5,735			2	463	650	15 years	71%	29%	2021-2024
Sub-total of <b>new major investments</b> above (1)		110,781	101,047	132	4,326	7,942	10,455	11,180				
Sub-total <b>other new investments</b> (2)		49,052	39,850	181	946	3,644	5,346	6,453		59%	41%	
Sub-total <b>existing investments</b> (3)				10,042	10,052	8,090	5,698	3,145		62%	38%	
<b>Total new and existing investments</b> (1) + (2) + (3)		159,833	140,897	10,356	15,324	19,676	21,499	20,779				

\* The total % enroute+terminal should be equal to 100%.

### 2.1.2 - Detail of new major investments

NOTE: Section 1.3 (Stakeholder Consultation) should include details on the consultation with airspace users' representatives on new major investments.

Name of new major investment 1	<b>COOPANS Builds 3.6 to 3.8 budget</b>	Total value of the asset (000's)	<b>8,000 €</b>
Description of the asset	COOPANS is a partnership between the IAA ANSP and other ANSPs, as well as the ATM systems supplier, Thales, for the incremental delivery of ATM systems and functionality in a coordinated manner. Builds 3.6 to 2.8, split between RP2 and RP3, include features such as the addition of FAST DBS (Final Approach Spacing Tool Distance Based Separation), and Safety Nets enhancements.		

The investment is mandated by a SES Regulation (i.e. PCP/CP1/Interoperability)? Ref. to the Regulation and, if funded through Union assistance programmes, ref. to the relevant grant agreement.)	Yes	CP1 Compliance						
Specify links to the PCP/CP1/Interoperability Regulations (add the sub-AF number(s) under each relevant box)	AF1	AF2	AF3	AF4	AF5	AF6	Interoperability	
	AF1.1	AF1.2	AF2.1	AF3.1 AF3.2		AF5.1 AF5.2 AF5.3 AF5.4 AF5.5 AF5.6		
Level of impact of the investment	Network	Yes						
	Local	Yes						
	Non-performance	n/a						
Quantitative impact per KPA	Safety	Yes e.g. improved safety nets						
	Environment	Yes e.g. Time Based Separation						
	Capacity	Yes e.g. Time Based Separation						
	Cost Efficiency	Though not solely attributable to this project, overall the NSA has set a target of 2% ATCO productivity improvement by 2024.						
Benefits for airspace users and results of the consultation of airspace users' representatives	This project was described in the consultation material. There were no specific comments on or objections to it during the consultation. The benefits for airspace users in relation to the KPAs are described above.							
Joint investment / partnership	Yes	Coopans Partnership - 6 ANSP's (IAA ANSP, LFV, NAVIAIR, AUSTRONCONTROL, CROCONTROL, NAV PORTUGAL)						
Investment in ATM systems	Yes	Upgrade of ATM System						
If investment in ATM system, type?	New system	Part of the continuous investment in the ATM system to meet needs for capacity, security, compliance, safety and fulfilment of the ATM masterplan and PCP/CP1 topics						
If investment in ATM system, Reference to European ATM Master Plan / PCP	PCP	Difficult to select, as both drivers are addressed in integrated solutions						

<b>Name of new major investment 2</b>	<b><i>New Dublin Radar 2 Replacement</i></b>					Total value of the asset (000's)	<b>5,000 €</b>
Description of the asset	To replace Dublin RADAR 2 which is stated to be at end of life, and also to deliver a second RADAR at an off-airfield site. The first of these RADARs has already been delivered.						
The investment is mandated by a SES Regulation (i.e. PCP/CP1/Interoperability)?	No						
Specify links to the PCP/CP1/Interoperability Regulations (add the sub-AF number(s) under each relevant box)	AF1	AF2	AF3	AF4	AF5	AF6	Interoperability
Level of impact of the investment	Network	Yes					
	Local	Yes					
	Non-performance	n/a					
Quantitative impact per KPA	Safety	Yes, through more reliable RADAR systems.					
	Environment	yes, through avoiding future ATC delays.					
	Capacity	yes, through avoiding future ATC delays.					

Quantitative impact per KPA	Cost Efficiency	Yes, through safeguarding terminal ATCO productivity.
Results of the consultation of airspace users' representatives	This project was described in the consultation material. Airspace users queried whether any satellite-based alternatives to radar were available that could provide the same outputs at lower cost. The NSA followed up on this question with the IAA ANSP who argued that ADS-B on its own is not sufficient to provide the required dual source of aircraft positional information, necessitating Radar use to avoid unplanned reversions to 5 NM separations in the Dublin TMA.	
Joint investment / partnership	No	
Investment in ATM systems	Yes	
If investment in ATM system, type?	New system	(Both new and replacement of existing RADAR)
If investment in ATM system, Reference to European ATM Master Plan / PCP	Master Plan (non-PCP)	

<b>Name of new major investment 3</b>	<b>NAVAIDS replacement program</b>						Total value of the asset (000's)	<b>9,000 €</b>
Description of the asset	To replace the existing Instrument Landing System (ILS) and Instrument Runway Visual Range (IRVR) systems at the three state airports Dublin, Shannon, and Cork.							
The investment is mandated by a SES Regulation (i.e. PCP/CP1/Interoperability)? Ref. to the Regulation and, if funded through Union assistance programmes, ref. to the	Yes	EU 1035/2011 and EU 373/2017						
Specify links to the PCP/CP1/Interoperability Regulations (add the sub-AF number(s) under each relevant box)	AF1	AF2	AF3	AF4	AF5	AF6	Interoperability	
Level of impact of the investment	Network	Yes						
	Local	Yes						
	Non-performance	n/a						
Quantitative impact per KPA	Safety	Yes, through more reliable ILS and IRVR systems.						
	Environment	n/a						
	Capacity	Yes, reduces delays potentially resulting from unscheduled maintenance.						
	Cost Efficiency	Yes, reduces the need for costly unscheduled maintenance. The NSA has built efficiency adjustments into the operating cost forecasts to take account of the replacement of older, high-maintenance assets, with new assets.						
Benefits for airspace users and results of the consultation of airspace users' representatives	This project was described in the consultation material. There were no specific comments on or objections to it during the consultation. The benefits are as described above in relation to the four KPAs.							
Joint investment / partnership	No							
Investment in ATM systems	Yes							
If investment in ATM system, type?	Replacement investment							
If investment in ATM system, Reference to European ATM Master Plan / PCP	Master Plan (non-PCP)							

<b>Name of new major investment 4</b>	<b>Dublin Tower - Building</b>						Total value of the asset (000's)	<b>36,391 €</b>
Description of the asset	New control Tower building at Dublin Airport, which is an unavoidable investment if the IAA is to provide dual runway ATM services at Dublin Airport. The project is now almost complete. This investment cost line refers only to the building costs.							
The investment is mandated by a SES Regulation (i.e. PCP/CP1/Interoperability)? Ref. to the Regulation and, if funded through Union assistance programmes, ref. to the relevant grant agreement.)	Yes	EU 1035/2011 and EU 373/2017						
Specify links to the PCP/CP1/Interoperability Regulations (add the sub-AF number(s) under each relevant box)	AF1	AF2	AF3	AF4	AF5	AF6	Interoperability	
Level of impact of the investment	Network	Yes						
	Local	Yes						
	Non-performance	n/a						
Quantitative impact per KPA	Safety	n/a						
	Environment	In tandem with the new runway, this investment will have a significant impact in reduced taxi times at Dublin Airport, when traffic recovers, and is expected to also lead to reduce additional time in terminal airspace.						
	Capacity	Provides for growth at Dublin airport and facilitates the new Northern Parallel Runway being built by the airport authority (daa).						
	Cost Efficiency	n/a						
Benefits for airspace users and results of the consultation of airspace users' representatives	This project was described in the consultation material. Airspace users had queries regarding the missing cost information that was mentioned in the Performance Plan consultation document. The NSA followed up with the IAA ANSP on this information and it was later provided and has been verified.							
Joint investment / partnership	No							
Investment in ATM systems	No							
If investment in ATM system, type?	Click to select							
If investment in ATM system, Reference to European ATM Master Plan / PCP	Click to select							

<b>Name of new major investment 5</b>	<b>Dublin Tower - Equipment</b>						Total value of the asset (000's)	<b>13,466 €</b>
Description of the asset	New Control Tower equipment at Dublin Airport							
The investment is mandated by a SES Regulation (i.e. PCP/CP1/Interoperability)? Ref. to the Regulation and, if funded through Union assistance programmes, ref. to the relevant grant agreement.)	Yes	EU 1035/2011 and EU 373/2017						
Specify links to the PCP/CP1/Interoperability Regulations (add the sub-AF number(s) under each relevant box)	AF1	AF2	AF3	AF4	AF5	AF6	Interoperability	
Level of impact of the investment	Network	Yes						

Level of impact of the investment	Local	Yes
	Non-performance	n/a
Quantitative impact per KPA	Safety	n/a
	Environment	In tandem with the new runway, this investment will have a significant impact in reduced taxi times at Dublin Airport, when traffic recovers, and is expected to also lead to reduce additional time in terminal airspace.
	Capacity	Provides for growth at Dublin airport and facilitates the new Northern Parallel Runway being built by the airport authority (daa).
	Cost Efficiency	n/a
Benefits for airspace users and results of the consultation of airspace users' representatives	This project was described in the consultation material. Airspace users had queries regarding the missing cost information that was mentioned in the Performance Plan. The NSA followed up with the IAA ANSP on this information and it was later provided.	
Joint investment / partnership	No	
Investment in ATM systems	Yes	
If investment in ATM system, type?	New system	
If investment in ATM system, Reference to European ATM Master Plan / PCP	Master Plan (non-PCP)	

<b>Name of new major investment 6</b>	<b>COOPANS 2019 Roadmap Builds</b>						Total value of the asset (000's)	<b>8,000 €</b>
Description of the asset	COOPANS is a partnership between the IAA ANSP and other ANSPs, as well as the ATM systems supplier, Thales, for the incremental delivery of ATM systems and functionality in a coordinated manner. Builds 3.6 to 3.8, split between RP2 and RP3, include features such as the addition of FAST DBS (Final Approach Spacing Tool Distance Based Separation), and Safety Nets enhancements.							
The investment is mandated by a SES Regulation (i.e. PCP/CP1/Interoperability)? Ref. to the Regulation and, if funded through Union assistance programmes, ref. to the relevant grant agreement.)	Yes	CP1 Compliance						
Specify links to the PCP/CP1/Interoperability Regulations (add the sub-AF number(s) under each relevant box)	AF1	AF2	AF3	AF4	AF5	AF6	Interoperability	
	AF1.1	AF1.2	AF2.1	AF3.1 AF3.2		AF5.1 AF5.2 AF5.3 AF5.4 AF5.5 AF5.6		
Level of impact of the investment	Network	Yes						
	Local	Yes						
	Non-performance	n/a						
Quantitative impact per KPA	Safety	Yes						
	Environment	Yes						
	Capacity	Yes						
	Cost Efficiency	Yes						
Benefits for airspace users and results of the consultation of airspace users' representatives	This project was described in the consultation material. There were no specific comments on or objections to it during the consultation. The project is expected to deliver benefits in relation to all four KPAs as outlined above.							
Joint investment / partnership	Yes	Coopans Partnership - 6 ANSP's (IAA ANSP, LFV, NAVIAIR, AUSTROCONTROL, CROCONTROL, NAV PORTUGAL)						



Investment in ATM systems	Yes	Upgrade of ATM System
If investment in ATM system, type?	Overhaul of existing system	Part of the continuous investment in the ATM system to meet needs for capacity, security, compliance, safety and fulfilment of the ATM masterplan and PCP/CP1 topics
If investment in ATM system, Reference to European ATM Master Plan / PCP	PCP	Difficult to select, as both drivers are addressed in integrated solutions

<b>Name of new major investment 7</b>	<b><i>New En Route Contingency Centre at Ballygreen</i></b>						Total value of the asset (000's)	<b>12,255 €</b>
Description of the asset	The facility is intended to provide up to 100% of the capacity of the Ballycasey centre under single person operation conditions. From an operational perspective, ATCOs will use similar procedures and equipment as in normal operations at Ballycasey ACC. As noted by the IAA ANSP, this project will enhance contingency and resilience of the provision of air traffic services, ensuring that En Route capacity targets can be met even in the event of a severe incident at the Ballycasey centre.							
The investment is mandated by a SES Regulation (i.e. PCP/CP1/Interoperability)?	No							
Specify links to the PCP/CP1/Interoperability Regulations (add the sub-AF number(s) under each relevant box)	AF1	AF2	AF3	AF4	AF5	AF6	Interoperability	
Level of impact of the investment	Network	Yes						
	Local	Yes						
	Non-performance							
Quantitative impact per KPA	Safety	Yes, through enhanced contingency.						
	Environment	n/a						
	Capacity	Yes through increased capacity and resilience.						
	Cost Efficiency	Yes, through lower running costs for the En Route Contingency centre when operational as staff will be displaced by 10km not 300km as with Shannon from Dublin.						
Results of the consultation of airspace users' representatives	This project was described in the consultation material. There were no specific comments on or objections to it during the consultation.							
Joint investment / partnership	No							
Investment in ATM systems	Yes							
If investment in ATM system, type?	New system							
If investment in ATM system, Reference to European ATM Master Plan / PCP	Master Plan (non-PCP)							

<b>Name of new major investment 8</b>	<b><i>Plant upgrade works</i></b>						Total value of the asset (000's)	<b>7,169 €</b>
Description of the asset	This is a major Mechanical and Electrical (M&E) asset care project allowance (including associated civil works) at 15 IAA ANSP facilities. The project predominantly relates to heating, ventilation and air conditioning (HVAC), chillers & pumps, and Building Management System works.							
The investment is mandated by a SES Regulation (i.e. PCP/CP1/Interoperability)?	No							
Specify links to the PCP/CP1/Interoperability Regulations (add the sub-AF number(s) under each relevant box)	AF1	AF2	AF3	AF4	AF5	AF6	Interoperability	

(add the sub-AF number(s) under each relevant box)								
Level of impact of the investment	Network							
	Local	Potential risk to IAA operational equipment, operations rooms and personnel mitigated.						
	Non-performance	Yes.						
Quantitative impact per KPA	Safety							
	Environment							
	Capacity	With the replacement of end of life plant and equipment the risk of direct impact on operations is mitigated, enabling safe operation of IAA Operational equipment and personnel.						
	Cost Efficiency	Yes- the NSA has built efficiency adjustments into the operating cost forecasts to take account of the replacement of older, high-maintenance assets, with new assets.						
Results of the consultation of airspace users' representatives	This project was described in the consultation material. There were no specific comments on or objections to it during the consultation.							
Joint investment / partnership	No							
Investment in ATM systems	No							
If investment in ATM system, type?	Click to select							
If investment in ATM system, Reference to European ATM Master Plan / PCP	Click to select							

<b>Name of new major investment 9</b>	<b>Emergency Air Situation Display System (EASDS) Replacement</b>						Total value of the asset (000's)	<b>6,500 €</b>
Description of the asset	The purpose of this project is to replace the current EASDS which was introduced into operational service in 2008. The EASDS is used as a contingency ATC system in the event of a major failure of the COOPANS system.							
The investment is mandated by a SES Regulation (i.e. PCP/CP1/Interoperability)? Ref. to the Regulation and, if funded through Union assistance programmes, ref. to the	Yes	EU 2017/373						
Specify links to the PCP/CP1/Interoperability Regulations (add the sub-AF number(s) under each relevant box)	AF1	AF2	AF3	AF4	AF5	AF6	Interoperability	
Level of impact of the investment	Network	Yes						
	Local	Yes						
	Non-performance							
Quantitative impact per KPA	Safety	This system is required to comply with safety regulations and offers backup to the COOPANS system.						
	Environment	n/a						
	Capacity	n/a						
	Cost Efficiency	n/a						
Benefits for airspace users and results of the consultation of airspace users' representatives	This project was described in the consultation material. Airspace users queried why the EASDS was necessary and why COOPANS did not have in-built redundancy. The NSA followed up with the IAA ANSP on this and they argued that a fully independent backup system is necessary to ensure business continuity in the event of a COOPANS failure.							

Joint investment / partnership	No	
Investment in ATM systems	Yes	
If investment in ATM system, type?	Replacement investment	
If investment in ATM system, Reference to European ATM Master Plan / PCP	Master Plan (non-PCP)	

<b>Name of new major investment 10</b>	<b><i>Climate Action Plan (Sustainability Management Plan)</i></b>						Total value of the asset (000's)	<b>5,000 €</b>
Description of the asset	The purpose of this project is to commence a number of projects (and to continue several underway) aimed at helping the IAA ANSP achieve its aim of becoming carbon neutral in its use of energy, and enhance sustainability. The project is expected to deliver a range of assets including electric vehicles and charging infrastructure, a photovoltaic farm, and building insulation and HVAC works.							
The investment is mandated by a SES Regulation (i.e.	No							
Specify links to the PCP/CP1/Interoperability Regulations (add the sub-AF number(s) under each relevant box)	AF1	AF2	AF3	AF4	AF5	AF6	Interoperability	
Level of impact of the investment	Network							
	Local							
	Non-performance	Yes						
Quantitative impact per KPA	Safety	n/a						
	Environment	n/a						
	Capacity	n/a						
	Cost Efficiency	Yes. The NSA expects that this project in particular will lead to significant cost savings on non-staff cost lines such as utilities, and has built this into the cost forecasts.						
Results of the consultation of airspace users' representatives	This project was described in the consultation material. Airspace users enquired as to what specific projects will be included as part of the Climate Action Plan. The IAA ANSP has provided the NSA with an overview of the various initiatives it plans to undertake in RP3, and details have been provided in our decision document.							
Joint investment / partnership	Yes	These projects are part of the national Climate Action Plan						
Investment in ATM systems	No							
If investment in ATM system, type?	Click to select							

### 2.1.3 - Other new and existing investments

#### 2.1.3.1 - Overall description and justification of the costs nature and benefits of other new and existing investments in fixed assets planned over the reference period

A full description of all IAA ANSP Investments during RP3, which are not the Major Investments listed above, or considered 'main' investments, is included in Appendix 1 of the Consultation Document of July 2021, and the associated capital costs by project cost line are modelled in the 'ANSP Capex (CAR)' sheet in the Performance Plan model, row 49 to row 1329. Other Investments are split in three categories:

- 1) Property and Security Projects: The types of works envisioned in these projects are structural refurbishments and alterations, M&E and plant refurbishments/replacements, and a small minority of new build works.
- 2) ICT projects: These projects include cybersecurity and life-cycle replacement for PCs, laptops, ICT servers, and printers.
- 3) The third appendix includes other network and security, flight data processing and communications, and surveillance related projects.

**2.1.3.2 - Details of the main other new investments in fixed assets planned over the reference period**

Number of new other investments	0
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#	Name of investment	Total value of the asset (capex or contractual leasing value)	Value of the assets allocated to ANS in the	Determined costs of investment (i.e. depreciation, cost of capital and cost of leasing) (in national currency)					Description
				2020	2021	2022	2023	2024	
20									

## 2.2 - Investments - Met Éireann Aviation Services Division (ASD)

### 2.2.1 - Summary of investments

Number of new major investments	0
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#	Name of new major investment (i.e. above 5 M€)	Total value of the asset (capex or contractual leasing value)	Value of the assets allocated to ANS in the scope of the PP	Determined costs of investment (i.e. depreciation, cost of capital and cost of leasing) (in national currency)					Lifecycle (Amortisation period in years)	Allocation (%)*		Planned date of entry into operation
				2020	2021	2022	2023	2024		Enroute	Terminal	
Sub-total of <b>new major investments</b> above (1)		0	0	0	0	0	0	0				
Sub-total <b>other new investments</b> (2)		16,361	4,465	0	0	413	774	785		80%	20%	
Sub-total <b>existing investments</b> (3)				536	536	439	439	0		80%	20%	
<b>Total new and existing investments</b> (1) + (2) + (3)		16,361	4,465	536	536	852	1,213	785				

\* The total % enroute+terminal should be equal to 100%.

### 2.2.3 - Other new and existing investments

#### 2.2.3.1 - Overall description and justification of the costs nature and benefits of other new and existing investments in fixed assets planned over the reference period

A number of capital investment projects are planned for the coming years in the context of the SES and ICAO regulatory frameworks and with the intention of developing scientific capacity and improved quality of service. While some of the capital projects are focused specifically on supporting aeronautical meteorological functions, others are cross cutting with planned investments intended to also support other Met Éireann activities along with the aviation function.

#### 2.2.3.2 - Details of the main other new investments in fixed assets planned over the reference period

Number of new other investments	7
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#	Name of investment	Total value of the asset (capex or contractual leasing value)	Value of the assets allocated to ANS in the scope of the PP	Determined costs of investment (i.e. depreciation, cost of capital and cost of leasing) (in national currency)					Description
				2020	2021	2022	2023	2024	
1	Aviation Modernisation and Modernisation Project (AMAP)	13,000	3,900	536	536	439	439	0	This is a carryover project from RP2. It will ensure regulatory compliance with ICAO Annex 3 and CIR (EU_2017/373). It will allow greater operator efficiency by increasing the temporal and spatial resolution of weather observations, and by supporting other aviation projects.

2	RADAR Upgrade (RP3 capitalisations only)	2,500	675	0	0	16	16	27	The current RADAR network is close to the end of its useful life, and as such is being upgraded from 2 to 5 sites, significantly increasing the domain covered within Shannon FIR. It will allow ATS to overlay RADAR data onto ATM workstations, improving situational awareness and decision making by ATCOs.
3	Auto Climate Network	0	0	0	0	0	0	0	The data provided by this allows MET to support ATM through atmosphere modeling, pilot briefings, search and rescue services, and preparation of reports for the Air Accident Investigation Unit. No proportion of the cost has been allocated to ASD for RP3.
4	METCOM	1,200	502	0	0	103	103	103	This is necessary to ensure compliance with ICAO Annex 3, CIR (EU) 2017/373 and the Pilot Common Project Regulation (EU No 716/2014). It will allow users to access data in a more configurable and user friendly environment.
5	AUTOMETAR	500	0	0	0	0	0	0	Investment in additional visibility observing sites in the vicinity of the major airports will provide the aviation observers and forecast teams with early warning of degenerating visibility and cloud ceiling conditions through the deployment of visometer and ceilometer sensors. This will be further supported through the deployment of camera technology to support remote weather observations.
6	ICT Migration and Managed Services Project (IMaMS)	5,400	1,458	0	0	294	294	294	MET's ICT infrastructure exists mainly in a single location and as there is a requirement for geo-resilience in conjunction with a business continuity management operational office, an ICT solution that enables diversification and replication across two sites is required.
7	High Performance Computing (HPC)	6,700	1,809	0	0	0	361	361	HPC will allow developments in forecast services such as nowcasting and high resolution ensemble forecasts for the TMA. It will also improve forecasting for high impact and extreme weather, supporting safety and efficiency in ATM.

## SECTION 3: PERFORMANCE TARGETS AND MEASURES FOR THEIR ACHIEVEMENT

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### **3.1 - Safety targets**

3.1.1 - Safety KPI #1: Level of Effectiveness of Safety Management achieved by ANSPs

### **3.2 - Environment targets**

3.2.1 - Environment KPI #1: Horizontal en route flight efficiency (KEA)

### **3.3 - Capacity targets**

3.3.1 - Capacity KPI #1: En route ATFM delay per flight

3.3.2 - Capacity KPI #2: Terminal and airport ANS ATFM arrival delay per flight

### **3.4 - Cost efficiency targets**

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

En Route Charging Zone #x

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

Terminal Charging Zone #x

3.4.3 - Pension assumptions

3.4.4 - Interest rate assumptions for loans financing the provision of air navigation services

3.4.5 - Restructuring costs

3.4.6 - Additional determined costs related to measures necessary to achieve the en route capacity targets

### **3.5 - Additional KPIs / Targets**

### **3.6 - Description of KPAs interdependencies and trade-offs including the assumptions used to assess those trade-offs**

3.6.1 - Interdependencies and trade-offs between safety and other KPAs

3.6.2 - Interdependencies and trade-offs between capacity and environment

3.6.3 - Interdependencies and trade-offs between cost-efficiency and capacity

3.6.4 - Other interdependencies and trade-offs

### **Annexes of relevance to this section**

ANNEX A. REPORTING TABLES & ADDITIONAL INFORMATION (EN-ROUTE)

ANNEX B. REPORTING TABLES & ADDITIONAL INFORMATION (TERMINAL)

ANNEX F. BASELINE VALUES (COST-EFFICIENCY)

ANNEX H. RESTRUCTURING MEASURES AND COSTS

ANNEX M. COST ALLOCATION

ANNEX J. OPTIONAL KPIS AND TARGETS

ANNEX O. JUSTIFICATIONS FOR THE LOCAL SAFETY TARGETS

ANNEX P. JUSTIFICATIONS FOR THE LOCAL ENVIRONMENT TARGETS

ANNEX Q. JUSTIFICATIONS FOR THE LOCAL CAPACITY TARGETS

ANNEX R. JUSTIFICATIONS FOR THE LOCAL COST-EFFICIENCY TARGETS

ANNEX U. VERIFICATION BY THE NSA OF THE COMPLIANCE OF THE COST BASE

## SECTION 3.1: SAFETY KPA

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### 3.1 - Safety targets

3.1.1 - Safety KPI #1: Level of Effectiveness of Safety Management achieved by ANSPs

- a) Safety national performance targets
- b) Detailed justifications in case of inconsistency between local and Union-wide safety targets
- c) Main measures put in place to achieve the safety performance targets

### Annexes of relevance to this section

ANNEX O. JUSTIFICATIONS FOR THE LOCAL SAFETY TARGETS



### 3 - PERFORMANCE TARGETS AT LOCAL LEVEL

#### 3.1 - Safety targets

##### 3.1.1 - Safety KPI #1: Level of Effectiveness of Safety Management achieved by ANSPs

###### a) Safety performance targets

Number of Air Traffic Service Providers		1					
IAA		2020A	2020	2021	2022	2023	2024
		Actual	Target	Target	Target	Target	Target
	Safety policy and objectives	C	C	C	C	C	C
	Safety risk management	C	D	D	D	D	D
	Safety assurance	D	C	C	C	C	C
	Safety promotion	C	C	C	C	C	C
	Safety culture	D	C	C	C	C	C
Additional comments							

###### b) Detailed justifications in case of inconsistency between local and Union-wide safety targets

Not Applicable

*\* Refer to Annex O, if necessary.*

###### c) Main measures put in place to achieve the safety performance targets

To assess the compliance of the IAA ANSP with the required level of safety performance as defined by the union-wide targets, the NSA will oversee the IAA ANSP in order to provide assurance of the effectiveness of the level of safety management. This oversight will include, inter alia, audits, inspections, reviews of safety performance data and reviews of changes to the functional system. The audit for 2020 has been completed. The actual performance of the IAA ANSP was assessed at Level C for Safety Policy and Objectives, Safety Risk Management, and Safety Promotion, and assessed at Level D for Safety Assurance and Safety Culture. This means that it outperformed the targets for Safety Assurance and Safety Culture, but did not comply with the target for Safety Risk Management. The reason for this was compliance delay with Regulation (EU) 373/2017 and remedial measures have now been put in place. The NSA will continue to conduct an annual review of the EoSM questionnaire, based on actual outcomes each year, and impose remedial measures in any areas of non-compliance in order to achieve the targets.

For further detail in relation to safety, please see Section 8 of the NSA's consultation document, and Section 6.1 of the IAA ANSP's revised Business Plan in which it has set out a detailed description of its safety management processes, safety culture, and measures it plans to undertake in RP3 in order to ensure compliance with the required level of safety performance.

*\* Refer to Annex O, if necessary.*

## SECTION 3.2: ENVIRONMENT KPA

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### 3.2 - Environment targets

3.2.1 - Environment KPI #1: Horizontal en route flight efficiency (KEA)

- a) Environment national performance targets
- b) Detailed justifications in case of inconsistency between national targets and national reference values
- c) Main measures put in place to achieve the environment performance targets

### Annexes of relevance to this section

ANNEX P. JUSTIFICATIONS FOR THE LOCAL ENVIRONMENT TARGETS

### 3.2 - Environment targets

#### 3.2.1 - Environment KPI #1: Horizontal en route flight efficiency (KEA)

##### a) National environment performance targets

	2020A	2020	2021	2022	2023	2024
National reference values	1.11%	n/a	1.13%	1.13%	1.13%	1.13%
		2020	2021	2022	2023	2024
		Target	Target	Target	Target	Target
National targets		1.56%	1.13%	1.13%	1.13%	1.13%

##### b) Detailed justifications in case of inconsistency between national targets and national reference values

Not Applicable

*\* Refer to Annex P, if necessary.*

##### c) Main measures put in place to achieve the environment performance targets

Free Route Airspace (FRA) was introduced in Ireland in 2009, which has been a key driver of the relatively strong KEA performance observed to date. Further improvements in Ireland's KEA are significantly dependent on the introduction of FRA in neighbouring FIRs together with the accompanying system upgrades to enable full cross border FRA. The UK is planning to introduce FRA on a phased basis from December 2021, which will eventually lead to improved horizontal flight efficiency and KEA. The NSA and ANSP will monitor and assess performance throughout RP3, to consider actual KEA performance relative to the target, and whether there are any further ways to improve performance either on a cross border or individual basis. The IAA ANSP is carrying out a review of areas of the Shannon FIR, the purpose of which is to facilitate Continuous Climb and Continuous Descent Operations (CCO/CDO) to and from airports and simplify airspace design where possible, in order to realise further improvements in flight efficiency and environmental performance. A revised airspace design structure is planned to be published in December 2021. The NSA will continue to monitor the implementation of these initiatives and strive to ensure sufficient measures are taken to seek to meet the performance targets.

*\* Refer to Annex P, if necessary.*

## SECTION 3.3: CAPACITY KPA

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### 3.3 - Capacity targets

#### 3.3.1 - Capacity KPI #1: En route ATFM delay per flight

- a) Capacity national performance targets
- b) Detailed justifications in case of inconsistency between national targets and national reference values
- c) Main measures put in place to achieve the target for en-route ATFM delay per flight
- d) ATCO planning

#### 3.3.2 - Capacity KPI #2: Terminal and airport ANS ATFM arrival delay per flight

- a) Capacity national performance targets
- b) Contribution to the improvement of the European ATM network performance
- c) Main measures put in place to achieve the target for terminal and airport ANS ATFM arrival delay per flight

### Annexes of relevance to this section

ANNEX Q. JUSTIFICATIONS FOR THE LOCAL CAPACITY TARGETS

### 3.3 - Capacity targets

#### 3.3.1 - Capacity KPI #1: En route ATFM delay per flight

##### a) National capacity performance targets

	2020A	2020	2021	2022	2023	2024
National reference values	0.00	n/a	0.01	0.03	0.03	0.03
		2020	2021	2022	2023	2024
		Target	Target	Target	Target	Target
National targets		0.07	0.01	0.03	0.03	0.03

##### b) Detailed justifications in case of inconsistency between national targets and national reference values

Not Applicable

\* Refer to Annex Q, if necessary.

##### c) Main measures put in place to achieve the target for en-route ATFM delay per flight

In its business plan submission, the IAA ANSP has outlined a number of ongoing initiatives that will enable it to continue providing sufficient capacity, including multi-ratings of ATCOs, flexible airspace sectorisation in response to traffic loading rather than a fixed sector plan, and 'crew-to-workload' staffing. The IAA ANSP also plans to make (or has already made) a number of capital investments that will improve its ability to consistently provide capacity, including, in particular, the new Contingency En route Operations Centre (CEROC) for the Shannon ACC, a number of COOPANS projects intended to enhance sector capacities while maintaining or improving safety, and the new control tower to facilitate parallel runway operations at Dublin Airport. The NSA will monitor the implementation of these initiatives and will work to ensure sufficient measures are taken to comply with the performance targets.

In the cost allowances for RP3, the NSA has provided for additional ATCOs, as well as an increase in the forecast level of capital expenditure, aimed to facilitate the IAA ANSP in achieving the targets as the anticipated traffic recovery occurs. This is discussed further in the 'interdependencies' tab, and the consultation and decision documents published by the NSA. The NSA has also put in place an incentive scheme designed to create an incentive on the IAA ANSP to achieve the target, as set out in the relevant tab and the consultation and decision documents.

\* Refer to Annex Q, if necessary.

##### d) ATCO planning

	Actual			Planning			
	2018	2019	2020	2021	2022	2023	2024
<b>Dublin (EIDW ACC)</b>							
Number of additional ATCOs in OPS planned to start working in the OPS room (FTEs)		2				1	1
Number of ATCOs in OPS planned to stop working in the OPS room (FTEs)		1	1	1			
Number of ATCOs in OPS planned to be operational at year-end (FTEs)	58	59	58	57	57	58	59

	Actual			Planning			
	2018	2019	2020	2021	2022	2023	2024
<b>Shannon (EISN ACC)</b>							
Number of additional ATCOs in OPS planned to start working in the OPS room (FTEs)		6				6	2
Number of ATCOs in OPS planned to stop working in the OPS room (FTEs)		2	4	4			
Number of ATCOs in OPS planned to be operational at year-end (FTEs)	194	199	195	191	191	197	199

Additional comments

Note that the NSA's En-Route ATCO staffing forecasts are not specifically allocated to either EIDW ACC or EISN ACC. We have therefore retained the ratios from the original Performance Plan, although the actual staffing remains at the discretion of the IAA ANSP.

3.3.2 - Capacity KPI #2: Terminal and airport ANS ATFM arrival delay per flight

**a) National capacity performance targets**

	2020A	2020	2021	2022	2023	2024
	Actual	Target	Target	Target	Target	Target
<b>National targets</b>	0.11	0.25	0.25	0.2	0.2	0.2
Additional comments	The terminal capacity targets set for the IAA ANSP are unchanged from the original RP3 Performance Plan.					

Airport level	<i>EIDW-Dublin</i>	0.14	0.25	0.30	0.25	0.25	0.25
	Airport contribution to national targets						
<i>EICK-Cork</i>		0.00	0.00	0.00	0.00	0.00	0.00
	Airport contribution to national targets						
<i>EINN-Shannon</i>		0.00	0.00	0.00	0.00	0.00	0.00
	Airport contribution to national targets						

**b) Contribution to the improvement of the European ATM network performance**

The only Irish airport which generates arrival ATFM delay is Dublin Airport and almost all delay is not ANSP-attributable. In the original RP3 Performance Plan, the terminal capacity targets were set at a level consistent with the average minutes of delay per arrival at Dublin airport in RP2, with an improvement anticipated from when the second parallel runway was due to be operational. In 2020, despite lower levels of traffic, the average minutes of delay per arrival at Dublin airport was slightly lower than most years in RP2 though remained at a broadly consistent level and was attributed to the same causes (weather and aerodrome capacity). Therefore, given that the levels of arrival ATFM delay have remained broadly unchanged notwithstanding the traffic reduction, and most of the delay is not ANSP attributable in any case, we see no reason to revise these targets relative to the original RP3 Performance Plan.

The average level of arrival delay at Dublin Airport, in both 2019 and 2020, was low when compared across other major European airports (see figures 13.6 and 13.7 of the consultation document). This implies that the capacity targets set on the basis of this level of delay are low compared to other major European airports. Thus, the continued attainment of these targets will contribute positively to European ATM network performance, by incentivising a continuation of historic performance where no material ANSP-related arrival ATFM delay is generated.

For further detail, see in particular sections 10 and 13 of the consultation document.

*\* Refer to Annex Q, if necessary.*

**c) Main measures put in place to achieve the target for terminal and airport ANS ATFM arrival delay per flight**

In its published Business Plan, the IAA ANSP has outlined a number of ongoing initiatives to enable it to continue providing sufficient terminal capacity, including multi-ratings of ATCOs, flexible airspace sectorisation, 'crew-to-workload' staffing, the introduction of time-based separations at Dublin Airport, and the implementation of necessary procedures to facilitate parallel runway operations at Dublin airport once the new runway is complete in 2022. The IAA ANSP also plans to make (or has already made) a number of capital investments that will improve its ability to provide capacity, including, in particular, a number of COOPANS projects and the new control tower at Dublin Airport.

The NSA will monitor the implementation of these initiatives and will work to ensure sufficient measures are taken to comply with the targets. The NSA cost forecasts have been developed on the basis of providing sufficient resources to meet the forecast traffic levels, including the additional ATCOs which will be required to facilitate dual parallel runway operations at Dublin Airport, as well as investments in projects such as COOPANS, enhanced resilience of RADAR coverage in the Dublin TMA, and enhanced ASMGCS.

*\* Refer to Annex Q, if necessary.*

## SECTION 3.4: COST-EFFICIENCY KPA

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### 3.4 - Cost efficiency targets

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

##### En Route Charging Zone #x

- a) RP3 revised cost-efficiency performance targets (IR 2020/1627)
- b) Information on the baseline values for the determined costs and the determined unit costs
- c) Detailed justifications for the adjustments to the baseline values
- d) Where a deviation from the Union-wide performance targets is observed, please indicate if the NSA considers those deviations to be necessary and proportionate
- e) Main measures put in place to achieve the targets for determined unit cost (DUC) for en route ANS
- f) Findings of the verification by the NSA (under Art. 22(7) of IR 2019/317) of the compliance of the cost base for charges with the requirements of Article 15(2) of Reg. 550/2004 and Article 22 of IR 2019/317, and where applicable identification of corrections

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

##### Terminal Charging Zone #x

- a) RP3 revised cost-efficiency performance targets (IR 2020/1627)
- b) Information on the baseline values for the determined costs and the determined unit costs
- c) Detailed justifications for the adjustments to the baseline values
- d) Main measures put in place to achieve the targets for determined unit cost (DUC) for terminal ANS
- e) Findings of the verification by the NSA (under Art. 22(7) of IR 2019/317) of the compliance of the cost base for charges with the requirements of Article 15(2) of Reg. 550/2004 and Article 22 of IR 2019/317, and where applicable identification of

#### 3.4.3 - Pension assumptions

##### 3.4.3.1 Total pension costs

##### 3.4.3.2 Assumptions for the "State" pension scheme

##### 3.4.3.3 Assumptions for the occupational "Defined contributions" pension scheme

##### 3.4.3.4 Assumptions for the occupational "Defined benefits" pension scheme

#### 3.4.4 - Interest rate assumptions for loans financing the provision of air navigation services

#### 3.4.5 - Restructuring costs

##### 3.4.5.1 Restructuring costs from previous reference periods to be recovered in RP3

##### 3.4.5.2 Restructuring costs planned for RP3

#### 3.4.6 - Additional determined costs related to measures necessary to achieve the en route capacity targets

- a) Overall description of the measures necessary to achieve the en-route capacity targets for RP3, which induce additional costs
- b) Detailed information on the additional costs of measures necessary to achieve the capacity targets for RP3
- c) Detailed information on the additional costs of measures necessary to achieve the capacity targets for RP3 by nature by ANSP
- d) Demonstration that the deviation from the Union-wide targets is exclusively due to the additional determined costs related to measures necessary to achieve the performance targets in capacity

### Annexes of relevance to this section

ANNEX A. REPORTING TABLES & ADDITIONAL INFORMATION (EN-ROUTE)

ANNEX B. REPORTING TABLES & ADDITIONAL INFORMATION (TERMINAL)

ANNEX F. BASELINE VALUES (COST-EFFICIENCY)

ANNEX H. RESTRUCTURING MEASURES AND COSTS

ANNEX M. COST ALLOCATION

ANNEX R. JUSTIFICATIONS FOR THE LOCAL COST-EFFICIENCY TARGETS

ANNEX U. VERIFICATION BY THE NSA OF THE COMPLIANCE OF THE COST BASE

NOTE: The following requirements as per Annex II, 3.3 are addressed in the Annexes A and B:

Point 3.3 (d) on cost-allocation;

Point 3.3 (e) on the return on equity and cost of capital;

Point 3.3 (f) on assumptions for pension costs and interest on debt for other entities, inflation forecast and adjustments beyond IFRS;

Point 3.3 (g) on adjustments to the unit rates carried over from previous reference periods;

Point 3.3 (h) on costs exempt from cost-sharing;

Point 3.3 (k) reporting tables and additional informations.

### 3.4 - Cost efficiency targets

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

##### En Route Charging Zone #1 - Ireland

##### a) RP3 revised cost-efficiency performance targets (IR 2020/1627)

En route charging zone Ireland	Baseline 2014	Baseline 2019	RP3 revised cost-efficiency targets (determined 2020-2024)				2024 D vs. 2014 B	2024 D vs. 2019 B
	2014 B	2019 B	2020/2021 D	2022 D	2023 D	2024 D		
Total en route costs in nominal terms (in national currency)	102,560,732	116,761,000	207,040,494	123,929,012	129,002,488	129,584,192	26.3%	11.0%
<b>Total en route costs in real terms (in national currency at 2017 prices)</b>	<b>102,637,427</b>	<b>115,313,068</b>	<b>203,189,381</b>	<b>119,095,882</b>	<b>122,100,394</b>	<b>120,687,045</b>	<b>17.6%</b>	<b>4.7%</b>
Total en route costs in real terms (in EUR2017) 1	102,637,427	115,313,068	203,189,381	119,095,882	122,100,394	120,687,045	17.6%	4.7%
YoY variation			76.2%	-41.4%	2.5%	-1.2%		
Total en route Service Units (TSU)	3,893,473	4,606,517	4,300,619	3,990,958	4,882,829	4,893,147	25.7%	6.2%
YoY variation			-6.6%	-7.2%	22.3%	0.2%		
<b>Real en route unit costs (in national currency at 2017 prices)</b>	<b>26.36</b>	<b>25.03</b>	<b>47.25</b>	<b>29.84</b>	<b>25.01</b>	<b>24.66</b>	<b>-6.4%</b>	<b>-1.5%</b>
Real en route unit costs (in EUR2017) 1	26.36	25.03	47.25	29.84	25.01	24.66	-6.4%	-1.5%
YoY variation			88.7%	-36.8%	-16.2%	-1.4%		

National currency	EUR
1 Average exchange rate 2017 (1 EUR=)	1.00

##### b) Information on the baseline values for the determined costs and the determined unit costs

En route charging zone Ireland	Baseline 2014	Baseline 2019	Actuals 2014	Actuals 2019	2014 Baseline adjustments	2019 Baseline adjustments
	2014 B	2019 B	2014 A	2019 A		
Total en route costs in nominal terms (in national currency)	102,560,732	116,761,000	102,560,732	114,371,000	0	2,390,000
<b>Total en route costs in real terms (in national currency at 2017 prices)</b>	<b>102,637,427</b>	<b>115,313,068</b>	102,637,427	112,951,852	0	2,361,216
Total en route costs in real terms (in EUR2017) 1	102,637,427	115,313,068	102,637,427	112,951,852	0	2,361,216
Total en route Service Units (TSU)	3,893,473	4,606,517	3,922,499	4,640,860	-29,026	-34,342

##### c) Detailed justifications for the adjustments to the baseline values

##### c.1) Adjustments to the 2014 baseline value for the determined costs

Number of adjustments	0
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##### c.2) Adjustments to the 2014 service units

	Coefficient M2/M3	Source	Service units
Impact of transition to actual route flown	-0.74%	CRCO correction factor May 2019 (on 12 months)	-29,026

Other adjustment to the 2014 service units	No
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<b>Total adjustments to the 2014 service units</b>	<b>-29,026</b>
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##### c.3) Adjustments to the 2019 baseline value for the determined costs

Number of adjustments	2
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Adjustment #1	Entity name	Entity type	Nature	Costs nominal NC	Costs real NC	Costs EUR2017
Actual cost correction	Met Éireann ASD	MET	Staff	232000	228,332	228,332
Description and justification of the adjustment						
MET costs previously reported as 2019 actuals were costs charged (i.e. the determined cost), not costs incurred by MET ASD in 2019. This was an error, and the 2019 actual MET cost build up has now been validated by the NSA. To avoid confusion given the previously reported number, this is reported as a baseline adjustment to the 2019 actual. The 2019 baseline value has therefore been updated to reflect actual costs incurred by MET ASD, ensuring that all entities actual 2019 costs are used for the baseline value. Detail on this adjustment was included in the consultation material, and no objections or disagreement was observed.						
Adjustment 1 (ENR) comprises the staff costs element of correcting this issue.						

Adjustment #2	Entity name	Entity type	Nature	Costs nominal NC	Costs real NC	Costs EUR2017
Actual cost correction	Met Éireann ASD	MET	Other Operating	2,158,000	2,123,884	2,123,884
Description and justification of the adjustment						
MET costs previously reported as 2019 actuals were costs charged (i.e. the determined cost), not costs incurred by MET ASD in 2019. This was an error, and the 2019 actual MET cost build up has now been validated by the NSA. To avoid confusion given the previously reported number, this is reported as a baseline adjustment to the 2019 actual. The 2019 baseline value has therefore been updated to reflect actual costs incurred by MET ASD, ensuring that all entities actual 2019 costs are used for the baseline value. Detail on this adjustment was included in the consultation material, and no objections or disagreement was observed.						
Adjustment 2 (ENR) comprises the non-staff costs element of correcting this issue.						

Total adjustments to the 2019 baseline value for the determined costs	Costs nominal NC	Costs real NC	Costs EUR2017
	2,390,000	-	-

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#### c.4) Adjustments to the 2019 service units

Impact of transition to actual route flown	Coefficient M2/M3	Source	Service units
	-0.74%	CRCO correction factor May 2019 (on 12 months)	-34,342

Other adjustment to the 2019 service units	No
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<b>Total adjustments to the 2019 service units</b>	<b>-34,342</b>
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#### d) Description and justification of the consistency between local and Union-wide cost-efficiency targets

The local cost efficiency targets significantly outperform the Union-wide targets.
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\* Refer to Annex R, if necessary.

#### e) Where a deviation from the Union-wide performance targets is observed, please indicate if the NSA considers those deviations to be necessary and proportionate under:

Additional costs of measures necessary to achieve the capacity targets for RP3	No	
Restructuring costs planned for RP3	Yes	Detailed in part 3.4.5 of the performance plan

#### f) Main measures put in place to achieve the targets for determined unit cost (DUC) for en route ANS

The NSA will monitor and validate actual cost efficiency performance, through the provision of regulated entity accounts and otherwise.

The NSA has set cost efficiency targets which are intended to be challenging but achievable for the IAA ANSP, while delivering the required level of service. Most of the cost risk, particularly for operating costs, is assigned to the IAA ANSP within the regulatory period. This is the primary incentive-based regulatory mechanism which creates an incentive for the IAA ANSP to incur efficient expenditure only, in order to increase profit. This is the main incentive measure in place to achieve or outperform the DUC for En Route ANS.

*\* Refer to Annex R, if necessary.*

**g) Findings of the verification by the NSA (under Art. 22(7) of IR 2019/317) of the compliance of the cost base for charges with the requirements of Article 15(2) of Reg. 550/2004 and Article 22 of IR 2019/317, and where applicable identification of corrections applied to the cost base as a result of this verification**

The NSA has verified that only eligible costs have been included in the unit rate calculations. All North Atlantic Communications (NAC) and non-ANS related costs have been omitted. Where appropriate, we have developed or adjusted the cost allocation methodologies between terminal, en route and NAC.

Based on our audit of MET costs in 2019, we discovered that the costs reported previously in the tables were the charged costs which differed from the actual costs. As such, the NSA has made a baseline adjustment to the MET staff and non-staff costs for 2019 to reflect the actual costs accurately.

The full details of this verification process have been provided in the Consultation Document of 30 July.

*\* Refer to Annex U, if necessary.*

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

#### Terminal Charging Zone #1 - Ireland - TCZ

##### a) RP3 revised cost-efficiency performance targets (IR 2020/1627)

Terminal charging zone Ireland - TCZ	Baseline 2019	RP3 revised cost-efficiency targets (determined 2020-2024)				2024 D vs. 2019 B
	2019 B	2020/2021 D	2022 D	2023 D	2024 D	
Total terminal costs in nominal terms (in national currency)	25,609,000	40,670,199	28,118,820	30,828,178	31,736,044	23.9%
<b>Total terminal costs in real terms (in national currency at 2017 prices)</b>	<b>25,293,214</b>	<b>39,957,683</b>	<b>27,217,382</b>	<b>29,483,198</b>	<b>29,962,049</b>	<b>18.5%</b>
Total terminal costs in real terms (in EUR2017) 1	25,293,214	39,957,683	27,217,382	29,483,198	29,962,049	18.5%
YoY variation		58.0%	-31.9%	8.3%	1.6%	
Total terminal Service Units (TNSU)	187,709	140,475	166,175	175,383	183,265	-2.4%
YoY variation		-25.2%	18.3%	5.5%	4.5%	
<b>Real terminal unit costs (in national currency at 2017 prices)</b>	<b>134.75</b>	<b>284.45</b>	<b>163.79</b>	<b>168.11</b>	<b>163.49</b>	<b>21.3%</b>
Real terminal unit costs (in EUR2017) 1	134.75	284.45	163.79	168.11	163.49	21.3%
YoY variation		111.1%	-42.4%	2.6%	-2.7%	

National currency	EUR
1 Average exchange rate 2017 (1 EUR=)	1.00

##### b) Information on the baseline values for the determined costs and the determined unit costs

Terminal charging zone Ireland - TCZ	Baseline 2019	Actuals 2019	2019 Baseline adjustments
	2019 B	2019 A	
Total terminal costs in nominal terms (in national currency)	25,609,000	25,011,000	598,000
<b>Total terminal costs in real terms (in national currency at 2017 prices)</b>	<b>25,293,214</b>	24,704,668	588,546
Total terminal costs in real terms (in EUR2017) 1	25,293,214	24,704,668	588,546
Total terminal Service Units (TNSU)	187,709	187,709	0

**c) Detailed justifications for the adjustments to the baseline values**

**c.1) Adjustments to the 2019 baseline value for the determined costs**

Number of adjustments	2
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Adjustment #1	Entity name	Entity type	Nature	Costs nominal NC	Costs real NC	Costs EUR2017
Actual cost correction	Met Éireann ASD	MET	Staff	59,000	58,067	58,067
Description and justification of the adjustment						
<p>MET costs previously reported as 2019 actuals were costs charged (i.e. the determined cost), not costs incurred by MET ASD in 2019. This was an error, and the 2019 actual MET cost build up has now been validated by the NSA. To avoid confusion given the previously reported number, this is reported as a baseline adjustment to the 2019 actual. The 2019 baseline value has therefore been updated to reflect actual costs incurred by MET ASD, ensuring that all entities actual 2019 costs are used for the baseline value. Detail on this adjustment was included in the consultation material, and no objections or disagreement was observed.</p> <p>Adjustment 1 (TER) comprises the staff costs element of correcting this issue.</p>						

Adjustment #2	Entity name	Entity type	Nature	Costs nominal NC	Costs real NC	Costs EUR2017
Actual cost correction	Met Éireann ASD	MET	Other operating	539,000	530,479	530,479
Description and justification of the adjustment						
<p>MET costs previously reported as 2019 actuals were costs charged (i.e. the determined cost), not costs incurred by MET ASD in 2019. This was an error, and the 2019 actual MET cost build up has now been validated by the NSA. To avoid confusion given the previously reported number, this is reported as a baseline adjustment to the 2019 actual. The 2019 baseline value has therefore been updated to reflect actual costs incurred by MET ASD, ensuring that all entities actual 2019 costs are used for the baseline value. Detail on this adjustment was included in the consultation material, and no objections or disagreement was observed.</p> <p>Adjustment 2 (TER) comprises the non-staff costs element of correcting this issue.</p>						

Total adjustments to the 2019 baseline value for the determined costs	Costs nominal NC	Costs real NC	Costs EUR2017
	598,000	588,546	588,546

**c.2) Adjustments to the 2019 service units**

Adjustment to the 2014 service units	No
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**d) Description and justification of the contribution of the the local targets to the performance of the European ATM network**

Similar to the approach to En Route, the NSA has sought to develop Terminal cost forecasts on the basis of efficiently delivering the required level of capacity and safety performance. This maximises the value that the IAA ANSP terminal performance will add to the European ATM network in RP3 (and RP4, given the 2020/2021 revenue will continue to be recovered in RP4).

There is, however, a step change in costs from 2022 relative to 2019, due to the commencement of dual runway operations at Dublin Airport. This has necessitated a new control tower at a cost of €50m, which is fully assigned to the Terminal cost base. This alone leads to an increase of over €5m in Determined Costs in 2024, which would fully account for the increase relative to the 2019 baseline. It also requires additional Operating costs in the form of more ATCOs, engineers, and non-staff costs associated with a larger infrastructural footprint. These costs offset efficiencies we have assumed in the targets. However, if traffic recovers to the extent now forecast for 2022, dual runway operations will have an immediate impact in reducing additional taxi times, providing benefits for airspace users, passengers, and the environment.

We note that, while the STATFOR October forecasts were generally higher than the May forecasts, the Terminal SU forecast for 2024 reduced marginally. A recovery to 2019 levels is not expected until 2025. The relatively stagnant recovery in Terminal traffic as compared to En Route traffic has also impacted the Terminal DUC.

*\* Refer to Annex R, if necessary.*

#### **e) Main measures put in place to achieve the targets for determined unit cost (DUC) for terminal ANS**

The NSA will monitor and validate actual cost efficiency performance, through the provision of regulated entity accounts and otherwise.

The NSA has set cost efficiency targets which are intended to be challenging but achievable for the IAA ANSP, while delivering the required level of service. Most of the cost risk, particularly for operating costs, is assigned to the IAA ANSP within the regulatory period. This is the primary incentive-based regulatory mechanism which creates an incentive for the IAA ANSP to incur efficient expenditure only, in order to increase profit. This is the main incentive measure in place to achieve or outperform the DUC for Terminal ANS.

*\* Refer to Annex R, if necessary.*

#### **f) Findings of the verification by the NSA (under Art. 22(7) of IR 2019/317) of the compliance of the cost base for charges with the requirements of Article 15(2) of Reg. 550/2004 and Article 22 of IR 2019/317, and where applicable identification of corrections applied to the cost base as a result of this verification**

The NSA has ensured that only eligible costs are included in the terminal unit rate calculations. All costs relating to en route, NAC and non-ANS activities are excluded. As part of this process, we have developed or adjusted the cost allocations to terminal where appropriate.

Through the verification process, we found that MET costs in 2019 had previously been reported incorrectly. The costs that were included represented charged costs rather than actual costs, and this has now been corrected to reflect the actual costs.

The full details of this verification process have been provided in the Consultation Document of 30 July.

*\* Refer to Annex U, if necessary.*

3.4.3 - Pension assumptions

IAA

3.4.3.1 Total pension costs (in nominal terms in '000 national currency)

Pension costs	2020D	2021D	2020/2021D	2022D	2023D	2024D
<b>Total pension costs</b>	13,332	12,220	25,552	13,222	13,761	14,107
En-route activity	11,378	10,559	21,936	11,407	11,798	12,063
Terminal activity	1,954	1,661	3,615	1,814	1,962	2,044
Other activities			-			

3.4.3.2 Assumptions for the "State" pension scheme (in nominal terms in '000 national currency)

Are there different contribution rates for different staff categories? If yes, how many? Select

<Staff category name>	2020D	2021D	2020/2021D	2022D	2023D	2024D
Total pensionable payroll to which this scheme applies			-			
Employer % contribution rate to this scheme						
<b>Total pension costs in respect of this scheme</b>			-			
Number of employees the employer contributes for in this scheme						

Description on the relevant national pension regulations and pension accounting regulations on which the assumptions are based, as well as information whether changes of those regulations are to be expected during RP3  
Not Applicable

Description of the assumptions underlying the calculations of pension costs comprised in the determined costs

Describe the actions taken ex-ante to manage the cost-risk (cost increase) associated with this item, as well as the actions taken to limit the impact of the unforeseen change on the costs to be passed on to airspace users

3.4.3.3 Assumptions for the occupational "Defined contributions" pension scheme (in nominal terms in '000 national currency)

Are there different contribution rates for different staff categories? If yes, how many? No

<Staff category name>	2020D	2021D	2020/2021D	2022D	2023D	2024D
Total pensionable payroll to which this scheme applies	The IAA ANSP has advised that this data is commercially confidential, so it has not been made publically available. If required, the unredacted version of this tab can be provided directly to the PRB/EC on a confidential basis.					
Employer % contribution rate to this scheme						
<b>Total pension costs in respect of this scheme</b>	1,253	1,485	2,737	1,845	2,037	2,156
Number of employees the employer contributes for in this scheme	182	182		215	236	246

Description on the relevant national pension regulations and pension accounting regulations on which the assumptions are based, as well as information whether changes of those regulations are to be expected during RP3  
 This is a Hybrid scheme, with a defined benefit element up to a certain salary cap, and a defined contribution element thereafter.  
  
 The ANSP has provided the following information to the NSA:  
  
 It is assumed that annual pension costs are the amounts that will be paid over in contributions by the employer to the pension fund in each year of RP3. The percentage contribution has been determined by the schemes' actuary to be compliant with the requirement to fund the pension plan on an ongoing basis and on a Minimum Funding Standard basis.  
  
 These pension costs have been updated for the October forecasts update of the plan. This update involved increasing the number of ATCOs planned for RP3, which has had a knock on effect on pension forecasts.

Description of the assumptions underlying the calculations of pension costs comprised in the determined costs

Information about pension costs as a proportion of staff salaries, and contribution rates, was provided by the ANSP. In the NSA forecasts, this was combined with the changing share of total staff in each year to derive an overall pension cost rate as a proportion of total salaries. An adjustment factor was then applied so that the proportions matched with the IAA ANSP business plan. The resulting pension cost rates were applied to the respective staff costs in each year to determine the pension costs.

Describe the actions taken ex-ante to manage the cost-risk (cost increase) associated with this item, as well as the actions taken to limit the impact of the unforeseen change on the costs to be passed on to airspace users

This pension scheme applies to all employees who joined the IAA since 01 January 2012. The defined benefit element of the scheme is capped. Employees currently contribute 4.5% per annum towards the funding of the defined benefit element of this scheme. Employees, whose pensionable pay exceeds the cap, contribute to a defined contribution scheme. Their contributions, up to a ceiling, are matched by the employer.

#### 3.4.3.4 Assumptions for the occupational "Defined benefits" pension scheme (in nominal terms in '000 national currency)

Does the ANSP assume liability for meeting future obligations for the occupational "Defined benefits" scheme?	Yes
Is the occupational "Defined benefits" pension scheme funded?	Yes

	2020D	2021D	2020/2021D	2022D	2023D	2024D
Total pensionable payroll to which this scheme applies	The IAA ANSP has advised that this data is commercially confidential, so it has not been made publically available. If required, the unredacted version of this tab can be provided directly to the PRB/EC on a confidential basis.					
<b>Total pension costs in respect of this scheme</b>	<b>12,079</b>	<b>10,735</b>	<b>22,815</b>	<b>11,377</b>	<b>11,724</b>	<b>11,950</b>
- in respect of regular pension costs	12,079	10,735	22,815	11,377	11,724	11,950
- in respect of non-recurring deficit repair			-			
- reported as staff costs (in reporting tables)			-			
- not reported as staff costs (in reporting tables): please use comment box			-			
<b>Actuarial assumptions</b>						
% discount rate	This data may be commercially confidential, so it has not been made publically available. If required, the unredacted version of this tab can be provided directly to the PRB/EC on a confidential basis.					
% projected increase in benefits						
% annual increase in salaries						
% expected return on plan assets						
Net funding surplus / deficit						
Number of employees the employer contributes for in this scheme	Not available- IAA pension scheme covers all employees of the IAA.					

Description on the relevant national pension regulations and pension accounting regulations on which the assumptions are based, as well as information whether changes of those regulations are to be expected during RP3

The ANSP has provided the following information to the NSA:

It is assumed that annual pension costs are the amounts that will be paid over in contributions by the employer to the pension fund in each year of RP3. The percentage contribution has been determined by the schemes' actuary to be compliant with the requirement to fund the pension plan on an ongoing basis and on a Minimum Funding Standard basis.

Description of the assumptions underlying the calculations of pension costs comprised in the determined costs

Information about pension costs as a proportion of staff salaries, and contribution rates, was provided by the ANSP. In the NSA forecasts, this was combined with the changing share of total staff in each year to derive an overall pension cost rate as a proportion of total salaries. An adjustment factor was then applied so that the proportions matched with the IAA ANSP business plan. The resulting pension cost rates were applied to the respective staff costs forecast in each year to determine the pension costs.

Where, in the Reporting Tables, some occupational "defined benefits" costs (e.g. interest expense related to pensions) are reported in other cost item(s) than staff costs, the cost item(s) should be indicated here below along with corresponding explanations.

Describe the actions taken ex-ante to manage the cost-risk (cost increase) associated with this item, as well as the actions taken to limit the impact of the unforeseen change on the costs to be passed on to airspace users

The ANSP has provided the following information to the NSA:

The main defined benefit pension scheme has been closed to new entrants since 01 January 2012. The Board of the IAA decided, and communicated to all staff and pension trustees, that there would be no further increases granted on pensions payable under the scheme with effect from 01 January 2015.

3.4.4 - Interest rate assumptions for loans financing the provision of air navigation services

IAA

Select number of loans Select

**Interest rate assumptions for loans financing the provision of air navigation services**  
(Amounts in nominal terms in '000 national currency)

Other loans	2020D	2021D	2020/2021D	2022D	2023D	2024D
Description	The dropdown menu does not provide an option for zero loans, as is currently the case for the IAA ANSP. The IAA ANSP has revolving credit facilities in place, but these have not, at this time, been drawn down.					
Remaining balance						
Average weighted interest rate %	-	-	-	-	-	-
Interest amount			-			

Total loans	2020D	2021D	2020/2021D	2022D	2023D	2024D
Total remaining balance	-	-	-	-	-	-
Average weighted interest rate %	-	-	-	-	-	-
Interest amount	-	-	-	-	-	-



### 3.4.5 - Restructuring costs

#### 3.4.5.1 Restructuring costs from previous reference periods to be recovered in RP3

Restructuring costs from previous reference periods approved by the European Commission?	No
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#### 3.4.5.2 Restructuring costs planned for RP3

Restructuring costs foreseen for RP3?	Yes
If yes, number of charging zones concerned	1

**IAA**

#### a) Overall description of the restructuring measures planned for RP3

Staff costs (exceptional item) related to Voluntary Severance Scheme (VSS) and Voluntary Early Retirement (VER) for a total of 9 FTEs in 2021, as a result of the reduced staffing requirement arising from the impact of COVID-19. This was a significant one-off cost in 2021 related to compensating staff, with financial benefits for airspace users within RP3 as the level of overstaffing is reduced in 2021/2022/2023. The NSA has considered and assessed the respective payback periods for these measures as outlined below.

#### b) Where applicable, information on how the restructuring measures make use of shared services, ATM data services and/or how the measures contribute to infrastructure rationalisation

Not Applicable

#### c) Detailed information on the restructuring measures planned for RP3

Number of restructuring measures	4
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Measure #1	2020D	2021D	2020/2021D	2022D	2023D	2024D
Associated restructuring costs (nominal terms in '000 national currency)		830,443	830,443			
Description and justification of the restructuring measure						
<b>Voluntary Severance Scheme (ATCO)</b>						
Demonstration that the restructuring measure will deliver a net financial benefit to airspace users at the latest in the next reference period						
<b>Annual average staff cost saving of €500,200, with 2021 restructuring costs fully recouped by 2023.</b>						
Information on the impact of the restructuring measure on the key performance area of Safety						
Information on the impact of the restructuring measure on the key performance area of Environment						
Information on the impact of the restructuring measure on the key performance area of Capacity						

Measure #2	2020D	2021D	2020/2021D	2022D	2023D	2024D
Associated restructuring costs (nominal terms in '000 national currency)		100,000	100,000			
Description and justification of the restructuring measure						
<b>Voluntary Early Retirement (ATCO)</b>						
Demonstration that the restructuring measure will deliver a net financial benefit to airspace users at the latest in the next reference period						
<b>Annual average staff cost saving of €100,040, with 2021 restructuring costs fully recouped by 2022.</b>						
Information on the impact of the restructuring measure on the key performance area of Safety						
Information on the impact of the restructuring measure on the key performance area of Environment						
Information on the impact of the restructuring measure on the key performance area of Capacity						

Measure #3	2020D	2021D	2020/2021D	2022D	2023D	2024D
Associated restructuring costs (nominal terms in '000 national currency)		250,380	250,380			
Description and justification of the restructuring measure						
<b>Voluntary Severance Scheme (Station Manager)</b>						
Demonstration that the restructuring measure will deliver a net financial benefit to airspace users at the latest in the next reference period						
<b>Annual average staff cost saving of €135,190, with 2021 restructuring costs fully recouped by 2023.</b>						
Information on the impact of the restructuring measure on the key performance area of Safety						
Information on the impact of the restructuring measure on the key performance area of Environment						
Information on the impact of the restructuring measure on the key performance area of Capacity						

Measure #4	2020D	2021D	2020/2021D	2022D	2023D	2024D
Associated restructuring costs (nominal terms in '000 national currency)		108,000	108,000			
Description and justification of the restructuring measure						
<b>Voluntary Severance Scheme (Data Assistant)</b>						
Demonstration that the restructuring measure will deliver a net financial benefit to airspace users at the latest in the next reference period						
<b>Annual average staff cost saving of €51,409, with 2021 restructuring costs fully recouped by 2023.</b>						
Information on the impact of the restructuring measure on the key performance area of Safety						
Information on the impact of the restructuring measure on the key performance area of Environment						
Information on the impact of the restructuring measure on the key performance area of Capacity						

	2020D	2021D	2020/2021D	2022D	2023D	2024D
<b>Total restructuring costs by measures ('000 national currency)</b>	-	1,288,823	1,288,823	-	-	-

**d) Detailed information on the restructuring costs by nature by charging zone**

**Restructuring costs planned for RP3 by nature and by charging zone  
(nominal terms in '000 national currency)**

Ireland	2020D	2021D	2020/2021D	2022D	2023D	2024D
Staff			-			
of which, pension costs			-			
Other operating costs			-			
Depreciation			-			
Cost of capital			-			
Exceptional items		1,288,823	1,288,823			
<b>Total restructuring costs</b>	-	1,288,823	1,288,823	-	-	-

	2020D	2021D	2020/2021D	2022D	2023D	2024D
<b>Total restructuring costs by charging zone ('000 national currency)</b>	-	1,288,823	1,288,823	-	-	-

**Additional comments**  
We understand that these costs can be excluded when assessing performance against the EU-wide DUC target, and have reflected this in the analysis in our decision document.

3.4.6 - Additional determined costs related to measures necessary to achieve the en route capacity targets

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Additional costs of measures necessary to achieve the capacity targets for RP3?	No
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## SECTION 3.5: ADDITIONAL KPIS / TARGETS

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### 3.5 Additional KPIs / Targets

#### Annexes of relevance to this section

ANNEX J. OPTIONAL KPIS AND TARGETS

## SECTION 3.6: DESCRIPTION OF KPAS INTERDEPENDENCIES AND TRADE-OFFS INCLUDING THE ASSUMPTIONS USED TO ASSESS THOSE TRADE-OFFS

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### **3.6 - Description of KPAs interdependencies and trade-offs including the assumptions used to assess those trade-offs**

- 3.6.1 - Interdependencies and trade-offs between safety and other KPAs
- 3.6.2 - Interdependencies and trade-offs between capacity and environment
- 3.6.3 - Interdependencies and trade-offs between cost-efficiency and capacity
- 3.6.4 - Other interdependencies and trade-offs

### 3.6 - Description of KPAs interdependencies and trade-offs including the assumptions used to assess those trade-offs

#### 3.6.1 - Interdependencies and trade-offs between safety and other KPAs

a) Do the measures to reach the targets in the different KPAs require changes in the ANSP functional system that have safety implications? If yes, which mitigation measures are put in place?

The IAA ANSP has confirmed in its Business Plan that any decisions which include consideration of interdependencies or trade-offs between safety and other KPAs, will be managed such that the required level of safety performance will not be compromised.

b) What are the main assumptions used to assess the interdependencies between safety and other KPAs?

The required level of safety, capacity and environmental performance have been used as inputs to the level of determined costs forecast by the NSA in relation to, for example, staff headcount forecasts (which allow for increases associated with EU Regulation 2017/373 compliance measures) and capital investment requirements.

While, conceptually, a trade-off between safety KPA performance and other KPA performance is likely to exist, the importance of ensuring the required level of operational safety and safety management means that these trade-offs should not exist in practice. In the context of other KPAs, all necessary costs should be incurred in order to achieve the required level of safety performance, irrespective of whether the funds and resources associated with these costs could yield greater improvements in performance in other KPAs (or adversely affect

c) What metrics, other than those indicators described in the Regulation, are you monitoring during RP3 to ensure targets in the KPAs of capacity, environment, and cost-efficiency are not degrading safety?

The NSA monitors a range of Safety Performance Indicators (SPIs), including the rate of Runway Incursions and Separation Minima Infringements. For the defined SPIs, there are associated safety targets and alert thresholds to provide quantifiable measures for the maintenance and/or improvement of the level of safety for the air navigation services domain in Ireland. This methodology is developed to identify an Acceptable Level of Safety

d) Do targets allow trade-offs in operational decision making to managing resource shortfalls in order to preserve safety performance? Do targets restrict the release of staff for safety activities, such as training?

Historically, the IAA ANSP has achieved both its Environmental targets and En Route capacity targets, the latter by a large margin. This implies that if additional resources were required in order to maintain safety performance, the environmental and capacity KPA targets could, up to a point, still be achieved with fewer resources. However, as noted above, given safety performance is the primary priority, the resources required to maintain safety performance will be provided, even if this is at the expense of other KPA targets.

As noted above, the NSA forecasts are intended to allow the ANSP to efficiently meet the required level of

e) Has the State reviewed the ANSP financial and personnel resources that are needed to support safe ATC service provision through safety promotion, safety improvement, safety assurance and safety risk management after changes introduced to achieve targets in other KPAs? Please, explain.

As part of its regulatory oversight function, as well as using the required level of performance as inputs to the cost forecasts, the NSA has undertaken a financial viability and stress test assessment of the IAA ANSP. Based on financial projections, the IAA ANSP's coverage ratios are well within a sustainable range and, under a scenario of an unplanned +10% increase in operating costs, the ratios remain within a sustainable range and within the RCFs already in place (see the Decision document for further detail). Therefore, the NSA is confident that even in the event of a severe downside scenario where actual costs exceed Determined Costs, the permitted level of Determined Costs will generate a revenue stream which is sufficient to enable the financial viability of the ANSP and the achievement of the KPA targets. While we have set cost forecasts which we consider achievable, even if IAA ANSP is unable to fully meet the cost efficiency KPA targets, performance in the other KPAs does not need to be degraded.

It is therefore the NSA's view that, in the event that the IAA ANSP is unable to meet all KPA targets

simultaneously, it is the actual cost efficiency performance against the DUC which should be degraded in the

### 3.6.2 - Interdependencies and trade-offs between capacity and environment

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While a trade-off between improving performance in either the capacity or environment KPA could exist (if improving one KPA meant forgoing improvements in the other), in practice it appears there is currently little or no trade-off between improving performance in either of these KPAs in Irish airspace.

Less capacity and more congested airspace implies that airspace users have less ability to use the most efficient flight routing and, conversely, more capacity implies more efficient flight paths can be achieved. Therefore, while performance in these KPAs appears to be interdependent, there does not appear to be an inherent trade-off.

It is possible, in some circumstances, particularly in very congested airspace, that the most efficient flightpath could have an adverse impact on capacity and increase delay; however, this does not appear to currently be the case in Irish airspace. The IAA ANSP stated in its RP3 Business Plan that the implementation of any measures

### 3.6.3 - Interdependencies and trade-offs between cost-efficiency and capacity

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The relationship between cost efficiency and ANSP-attributable delay is likely to be largely long term; though incremental additional capacity can be provided in the short term, material increases in capacity can be provided by either by capital investment in infrastructure and/or training of additional ATCOs, both with long lead times. The IAA ANSP stated within its RP3 Business Plan that if staffing levels fall, there is likely to be increased delays in peak months later in RP3, implying staffing levels are primary driver of the interdependency between capacity and cost efficiency.

Ideally, capacity targets should be set at the optimum point where the marginal cost associated any additional reduction in delay exceeds the marginal economic benefits associated with any further delay reduction, in line with the PRB's economic cost of delay concept.

Throughout RP2, Ireland's ANSP-attributable delay was close to zero and was significantly below target, and although the capacity reference values and targets have been reduced for RP3, Ireland's delay is not projected to exceed the new targets in RP3 – due in part to the fact traffic is projected to remain below 2019 levels throughout most of RP3. Based on current levels of delay and the PRB targets, the IAA ANSP appears to be

### 3.6.4 - Other interdependencies and trade-offs

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## SECTION 4: CROSS-BORDER INITIATIVES AND SESAR IMPLEMENTATION

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### **4.1 - Cross-border initiatives and synergies**

4.1.1 - Planned or implemented cross-border initiatives at the level of ANSPs

4.1.2 - Investment synergies achieved at FAB level or through other cross-border initiatives

### **4.2 - Deployment of SESAR Common Projects**

### **4.3 - Change management**

### **Annexes of relevance to this section**

ANNEX N. CROSS-BORDER INITIATIVES

#### 4.1 - Cross-border initiatives and synergies

##### 4.1.1 - Planned or implemented cross-border initiatives at the level of ANSPs

Number of cross-border initiatives	2
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Initiative #1	
Name	COOPANS
Description	COOPANS is an international partnership that includes the IAA ANSP and ANSPs from five other countries (Austria, Croatia, Denmark, Portugal and Sweden). COOPANS has a common managerial approach, whereby the six ANSPs act as one organisation together with the supplier (Thales).
Expected performance benefits	<p>The partnership allows for the delivery of common ATM systems and functionality intended to steadily enhance safety and productivity. This also allows for economies of scale and common ATM systems, as 'builds', or packages of functionality, are agreed by the COOPANS Board, allowing for common development, integration, deployment, and maintenance. System incidents that occur in one ANSP can be remedied across all the partners, before they cause service interruptions for other ANSPs. The NSA has allowed for costs for further COOPANS investments over RP3.</p> <p>The IAA ANSP has estimated that, as a result of the COOPANS partnership it has saved €50m since 2011, although this figure has not been validated by the NSA.</p>

Initiative #2	
Name	Borealis
Description	Borealis is an alliance of ANSPs from Ireland, Denmark, Estonia, Finland, Iceland, Latvia, Norway, Sweden and the UK. Borealis Alliance focuses on cooperation between the member ANSPs. The alliance is an enabler of joint initiatives to improve flight efficiency and reduce environmental impact, delivered across the whole area.
Expected performance benefits	The most significant benefit in RP3 will be the facilitation of the implementation of cross border FRA across northern Europe, stretching from the eastern boundary of the North Atlantic to the western boundary of Russian airspace in the North of Europe. NATS is planning to introduce FRA on a phased basis from December 2021. FRA within NATS airspace will complete the roll out of cross border FRA across the entire airspace of the Borealis nine-member states. As explained in relation to the Environment KPA, the implementation of UK FRA is expected to be a significant enabler in improved KEA performance by the IAA ANSP.



Additional comments

##### 4.1.2 - Investment synergies achieved at FAB level or through other cross-border initiatives

Details of synergies in terms of common infrastructure and common procurement
As outlined above, COOPANS has provided for the delivery of common systems within the member ANSPs since 2011. The IAA ANSP has estimated that this has led to savings of €50m for the IAA ANSP alone to date.

## 4.2 - Deployment of SESAR Common Projects

### 4.2.1 - Common Project One (CP1)

CP1 ATM Functionality (CP1-AF) / Sub functionality (CP1-s-AF)	Recent and expected progress
<b>CP1-AF1 - Extended AMAN and Integrated AMAN/DMAN in High-Density TMAs</b>	
CP1-s-AF1.1 AMAN extended to en-route airspace	Partially complete. Final elements to be implemented by end-2024.
CP1-s-AF1.2 AMAN/DMAN Integration	Ongoing. Completion expected by end-2024.
<b>CP1-AF2 - Airport Integration and Throughput</b>	
CP1-s-AF2.1 DMAN synchronised with predeparture sequencing	Ongoing. Expected Completion March 2022.
CP1-s-AF2.2.1 Initial airport operations plan (iAOP)	Not Applicable
CP1-s-AF2.2.2 Airport operations plan (AOP)	Not Applicable
CP1-s-AF2.3 Airport safety nets	Not Applicable
<b>CP1-AF3 - Flexible Airspace Management and Free Route Airspace</b>	
CP1-s-AF3.1 Airspace management and advanced flexible use of airspace	Most elements completed. Full implementation expected by end 2022.
CP1-s-AF3.2 Free route airspace	Completed
<b>CP1-AF4 - Network Collaborative Management</b>	
CP1-s-AF4.1 Enhanced short-term ATFCM measures	Under development with Network Manager. Due end-2022.
CP1-s-AF4.2 Collaborative NOP	Ongoing. Expected completion end-2022.
CP1-s-AF4.3 Automated support for traffic complexity assessment	Under development with Network Manager. Full implementation is expected by the end of 2022. Only NM tools will be used due to structure of airspace and traffic flows.
CP1-s-AF4.4 AOP/NOP integration	Expected completion end-2027
<b>CP1-AF5 - SWIM</b>	
CP1-s-AF5.1 Common infrastructure components	Completed.
CP1-s-AF5.2 SWIM yellow profile technical infrastructure and specifications	Expected completion by end 2022
CP1-s-AF5.3 Aeronautical information exchange	Expected completion by end 2025
CP1-s-AF5.4 Meteorological information exchange	Ongoing. Expected completion by end 2025.
CP1-s-AF5.5 Cooperative network information exchange	Expected completion by end 2025
CP1-s-AF5.6 Flight information exchange (yellow profile)	Expected completion by end 2025
<b>CP1-AF6 - Initial Trajectory Information Sharing</b>	
CP1-s-AF6.1 Initial air-ground trajectory information sharing	Ongoing. Expected completion end 2027
CP1-s-AF6.2 Network Manager trajectory information enhancement	Not Applicable

CP1-s-AF6.3 Initial trajectory  
information sharing ground  
distribution

Ongoing. Expected completion end 2027

### 4.3 - Change management

Change management practices and transition plans for the entry into service of major airspace changes or for ATM system improvements, aimed at minimising any negative impact on the network performance. As stated by the IAA ANSP.

The NSA will oversee the requisite change management protocols pursuant to Implementing Regulation 373/2017, including reviews of changes to the functional system. These are an integral part of the Regulatory Oversight framework and Safety Management System (SMS). The IAA ANSP Change Management protocols are applied to every aspect of ANS activity.

The IAA ANSP has noted that there is close co-operation at Network level with Eurocontrol (and NATS) to ensure the cross-border impact of significant changes are effectively managed.

In response to the Verification of Completeness request, the IAA ANSP has provided the following further detail:

Once the Operational/Technical project is prioritised and the change is approved by ATMPG, the safety activities start. An appropriately qualified project team will be tasked with implementing the change. The first step of this is scoping the change. This will identify the magnitude of the change taking into consideration interdependencies and interactions with other parts of the functional system, key stakeholders impacted and other service providers which may be impacted by the change.

The scoping and/or an initial risk assessment will determine whether the change is determined to be routine or Major. For Major changes, a separate safety plan outlining the safety activities/responsibilities that are to take place to ensure the change is managed correctly is produced. This safety plan is distributed to the CA as formal Notification of the project. The safety case is developed and distributed to the CA in line with the regulatory prescribed submission requirements. The changes impact on the Functional System is monitored in operations for the lifetime of the system. There are a number of mechanisms to monitor this performance which are referred to in a common procedures (SP302).

The IAA ANSP does not use Safety Support Assessments but implements all changes via a complete and documented Safety Assessment.

## SECTION 5: TRAFFIC RISK SHARING ARRANGEMENTS AND INCENTIVE SCHEMES

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### **5.1 - Traffic risk sharing parameters**

- 5.1.1 Traffic risk sharing - En route charging zones
- 5.1.2 Traffic risk sharing - Terminal charging zones

### **5.2 - Capacity incentive schemes**

- 5.2.1 - Capacity incentive scheme - Enroute
  - 5.2.1.1 Parameters for the calculation of financial advantages or disadvantages - Enroute
  - 5.2.1.2 Rationale and justification - Enroute
- 5.2.2 - Capacity incentive scheme - Terminal
  - 5.2.2.1 Parameters for the calculation of financial advantages or disadvantages - Terminal
  - 5.2.2.2 Rationale and justification - Terminal

### **5.3 - Optional incentives**

#### **Annexes of relevance to this section**

- ANNEX G. PARAMETERS FOR THE TRAFFIC RISK SHARING
- ANNEX I. PARAMETERS FOR THE MANDATORY CAPACITY INCENTIVES
- ANNEX K. OPTIONAL INCENTIVE SCHEMES

## 5.1 - Traffic risk sharing

### 5.1.1 Traffic risk sharing - En route charging zones

Ireland			Traffic risk-sharing parameters adapted?		no	
			Service units lower than plan		Service units higher than plan	
	Dead band	Risk sharing band	% loss to be recovered	Max. charged if SUs 10% < plan	% additional revenue returned	Min. returned if SUs 10% > plan
Standard parameters	±2.00%	±10.0%	70.0%	5.6%	70.0%	5.6%

### 5.1.2 Traffic risk sharing - Terminal charging zones

Ireland - TCZ			Traffic risk-sharing parameters adapted?		no	
			Service units lower than plan		Service units higher than plan	
	Dead band	Risk sharing band	% loss to be recovered	Max. charged if SUs 10% < plan	% additional revenue returned	Min. returned if SUs 10% > plan
Standard parameters	±2.00%	±10.0%	70.0%	5.6%	70.0%	5.6%

5.2 - Capacity incentive schemes

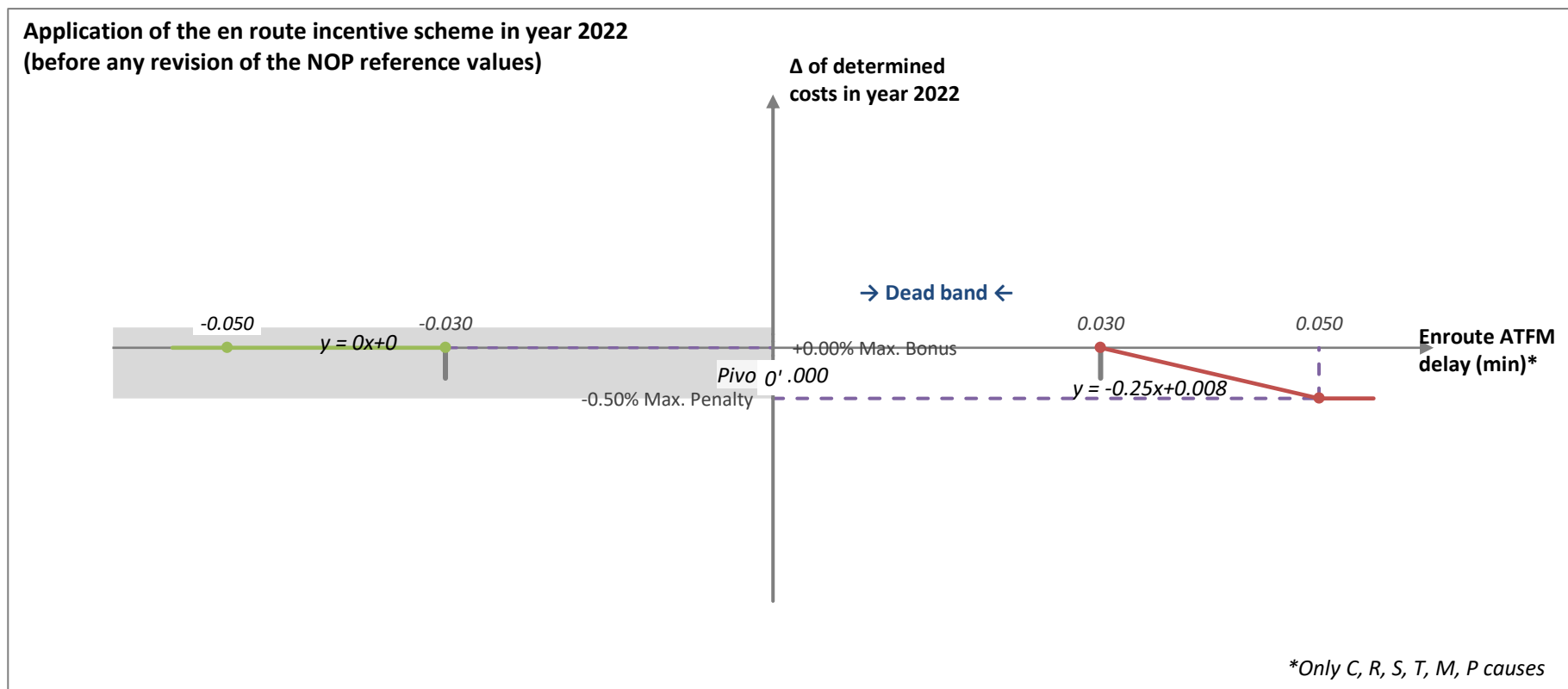
5.2.1 - Capacity incentive scheme - Enroute

5.2.1.1 Parameters for the calculation of financial advantages or disadvantages - Enroute

Enroute	Expressed in	Value (2022 and 2023)	Value (2024)
Dead band Δ	fraction of min	±0.030 min	±0.030 min
Max bonus (≤2%)	% of DC	0.00%	0.00%
Max penalty (≥ Max bonus)	% of DC	0.50%	1.00%
The pivot values for RP3 are	fixed		

IAA

	2020	2021	2022	2023	2024
NOP reference values (mins of ATFM delay per flight)			0.03	0.03	0.03
Alert threshold (Δ Ref. value in fraction of min)			±0.050	±0.050	±0.050
Performance Plan targets (mins of ATFM delay per flight)			0.03	0.03	0.03
Pivot values for RP3 (mins of ATFM delay per flight)			0.00	0.00	0.00
Financial advantages / disadvantages	Dead band range		[0-0.03]	[0-0.03]	[0-0.03]
	Bonus sliding range		n/a	n/a	n/a
	Penalty sliding range		[0.03-0.05]	[0.03-0.05]	[0.03-0.05]



5.2.1.2 Rationale and justification - Enroute

Indicate which of the principles below will be applied for the modulation of the pivot values for the whole RP3:	
a) In order to enable significant and unforeseen changes in traffic to be taken into account:	
a.1) The pivot value for year n IS the reference value from the November release of year n-1 of the NOP.	No
a.2) The pivot value for year n is informed by the November release of the year n-1 of the NOP and calculated according to the following principles and formulas:**	No
The pivot value has been set as part of a penalty-only incentive scheme in order to disincentivise worse performance, set so that penalties will begin to be incurred once the capacity target, which remains in line with the national reference value, is breached. Given that delay has historically been very low, it is not reasonable to provide for bonuses.	
Note that, as part of the update of the Performance Plan for the October forecasts, we have reduced the ENR revenue at risk for 2022 and 2023, but kept the same figure for 2024, which has necessitated an adjustment to cells G9 to G12 above. Overall, this means the revenue at risk relating to capacity penalties is 1% for 2022 and 2023, reverting to 1.5% for 2024.	
The purpose of this is to maintain proportionality between the level of fault attributable and the level of financial sanction, given that meeting the same capacity target has now become more challenging relative to the 1 October version of the Performance Plan. The penalty must however remain a material incentive. The ENR SU forecasts increased by 25% and 21% respectively, and, prior to October, plans were made on the basis of a longer time horizon for the requirement for new ATCOs. Our (NSA) modelling suggests that this has led to a significant practical constraint in now training enough ATCOs in time for these new forecasts.	
For further details, see the decision document on the supplementary consultation.	
b) The scope of the incentives is limited to delay causes related to ATC capacity, ATC routing, ATC staffing, ATC equipment, airspace management and special events with the codes C, R, S, T, M and P of the ATFCM user manual. If yes, provide below a justification for this decision and an explanation of how the pivot values are calculated.	Yes
In addition to the desire to specify a penalty-only incentive scheme that disincentives worse performance, the pivot value has been set at zero based on historic levels of ANSP-attributable ATFM delay.	

\*\* Refer to Annex I, if necessary.

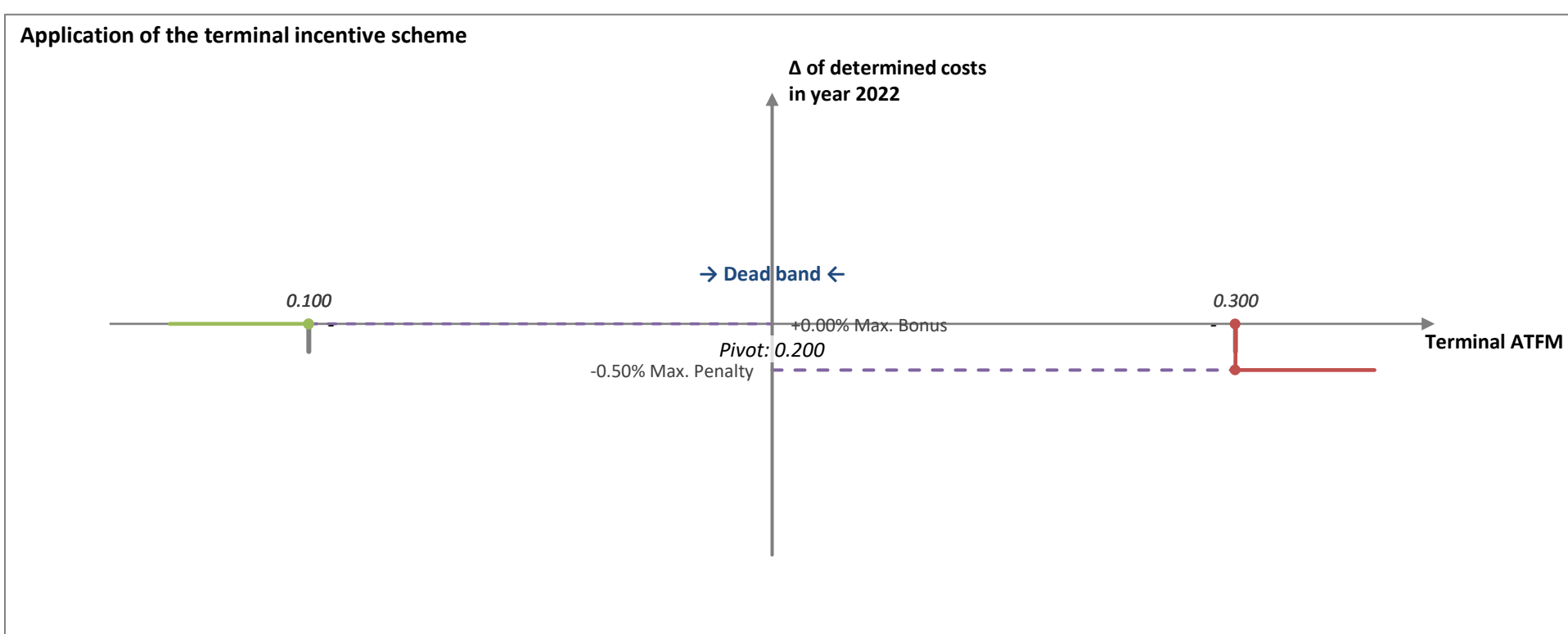


5.2.2 - Capacity incentive scheme - Terminal

5.2.2.1 Parameters for the calculation of financial advantages or disadvantages - Terminal

Terminal	Expressed in	Value
Dead band Δ	%	±50.0%
Bonus/penalty range (% of pivot value)	%	±50%
Max bonus	% of DC	0.00%
Max penalty	% of DC	0.50%
The pivot values for RP3 are	fixed	

	2020	2021	2022	2023	2024
Performance Plan targets (mins of ATFM delay per flight)			0.2	0.2	0.2
Bonus/penalty range Δ (in fraction of min)			±0.100	±0.100	±0.100
Pivot values for RP3 (mins of ATFM delay per flight)			0.20	0.20	0.20
Financial advantages / disadvantages	Dead band range		[0.1-0.3]	[0.1-0.3]	[0.1-0.3]
	Bonus sliding range		[0.1-0.1]	[0.1-0.1]	[0.1-0.1]
	Penalty sliding range		[0.3-0.3]	[0.3-0.3]	[0.3-0.3]



5.2.2.2 Rationale and justification - Terminal

Explain how the bonus and penalties are going to be apportioned between the different terminal charging zones and ANSPs providing services in each of them\*\*

N/A

\*\* Refer to Annex I, if necessary.

Indicate which of the principles below will be applied for the modulation of the pivot values for the whole RP3:

a) The pivot value for year n is modulated in order to enable significant and unforeseen changes in traffic to be taken into account and is based on the principles explained below:\*\*

No

N/A

b) The scope of the incentives is limited to delay causes related to ATC capacity, ATC routing, ATC staffing, ATC equipment, airspace management and special events with the codes C, R, S, T, M and P of the ATFCM user manual. If yes, provide below a justification for this decision and an explanation of how the pivot values are calculated.

No

Historically, the ANSP has had no control over the vast majority (c. 98%) of ATFM arrival delay. While it is possible to modulate the pivot value based on ANSP-attributable ATFM arrival delay, we understand it is not possible to implement an ANSP-attributable capacity incentive scheme, which would be more appropriate. For example, if the pivot value were set at zero, the ANSP would still pay penalties based on historic levels of delay, as the level of total ATFM delay would be beyond the threshold. Therefore, the deadband has been set as wide as possible around the pivot value (which is set at the level of the delay target), and bonus and penalty payments set relatively low, in order to avoid, as far as possible, the ANSP being rewarded or penalised for things that are largely not within its control.

\*\* Refer to Annex I, if necessary.

## SECTION 6: IMPLEMENTATION OF THE PERFORMANCE PLAN

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**6.1 Monitoring of the implementation plan**

**6.2 Non-compliance with targets during the reference period**

## 6 - IMPLEMENTATION OF THE PERFORMANCE PLAN

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### 6.1 Monitoring of the implementation plan

Description of the processes put in place by the NSA to monitor the implementation of the Performance Plan including the yearly monitoring of all KPIs and PIs defined in Annex I of the Regulation and a description of the data sources

The NSAs will monitor the performance of the accountable entities on an ongoing basis. On safety, the NSA will continue to conduct an annual review of the EoSM questionnaire, based on actual outcomes each year, and impose remedial measures in any areas of noncompliance with the KPA. The NSA also monitors a range of Safety Performance Indicators (SPIs), including the rate of Runway Incursions and Separation Minima Infringements. For the defined SPIs, there are associated safety targets and alert thresholds to provide quantifiable measures for the maintenance and/or improvement of the level of safety for the air navigation services domain in Ireland.

The NSA will continue to monitor the performance on Capacity and KEA (based on data provided by the NM) and strive to ensure sufficient measures are taken to seek to meet the performance targets. The NSA will hold regular meetings with the ANSP at Dublin Airport to review data on taxi-time and ASMA metrics and discuss any ATM factors that may impact performance.

On cost efficiency, the NSA will monitor actual costs and financial performance through review of regulated entity accounts and audits of the eligibility of reported actual costs. In the context of capital programme underdelivery in RP2, and in line with good practice economic regulation, the NSA will publish regular updates on the progress on delivery of the capital investment programme, and a comparison to our forecasts.

### 6.2 Non-compliance with targets during the reference period

Description of the processes put in place and measures to be applied by the NSA to address the situation where targets are not reached during the reference period

If any performance shortfalls are identified the NSA shall make enquiries with the entity concerned, identify causes and potential corrective measures. The NSA will then monitor the implementation and impact of the corrective measures to determine their effectiveness. All protocols for reporting variances and corrective measures to other stakeholders or oversight bodies will be formally documented.

## 7 - ANNEXES

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ANNEX A. REPORTING TABLES & ADDITIONAL INFORMATION (EN-ROUTE)

ANNEX A.x - En route Charging Zone #x

ANNEX B. REPORTING TABLES & ADDITIONAL INFORMATION (TERMINAL)

ANNEX B.x - Terminal Charging Zone #x

ANNEX C. CONSULTATION

ANNEX D. LOCAL TRAFFIC FORECASTS

ANNEX E. INVESTMENTS

ANNEX F. BASELINE VALUES (COST-EFFICIENCY)

ANNEX G. PARAMETERS FOR THE TRAFFIC RISK SHARING

ANNEX H. RESTRUCTURING MEASURES AND COSTS

ANNEX I. PARAMETERS FOR THE MANDATORY CAPACITY INCENTIVES

ANNEX J. OPTIONAL KPIs AND TARGETS

ANNEX K. OPTIONAL INCENTIVE SCHEMES

ANNEX L. JUSTIFICATION FOR SIMPLIFIED CHARGING SCHEME

ANNEX M. COST ALLOCATION

ANNEX N. CROSS-BORDER INITIATIVES

ANNEX O. JUSTIFICATIONS FOR THE LOCAL SAFETY TARGETS

ANNEX P. JUSTIFICATIONS FOR THE LOCAL ENVIRONMENT TARGETS

ANNEX Q. JUSTIFICATIONS FOR THE LOCAL CAPACITY TARGETS

ANNEX R. JUSTIFICATIONS FOR THE LOCAL COST-EFFICIENCY TARGETS

ANNEX S. INTERDEPENDENCIES

ANNEX T. OTHER MATERIAL

ANNEX U. VERIFICATION BY THE NSA OF THE COMPLIANCE OF THE COST BASE

ANNEX Z. CORRECTIVE MEASURES\*

*\* Only as per Article 15(6) of the Regulation*

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