

20 November 2020.

Commission for Aviation Regulation
Alexandra House
Earlsfort Terrace
Dublin 2.

Dear Sir / Madam,

I am writing to you on behalf of the Irish Congress of Trade Unions and the Staff Panel Unions in the Irish Aviation Authority in relation to the Commissions Work Plan to Establish an Irish Performance Plan Containing Revised Targets (Commission Paper 10/2020), for the Third Reference Period 2020-2023. In response to the invite contained in the Work plan inviting feedback I set out for you a number of questions we believe need to be addressed. In this regard I would suggest that the Commission would agree to meet with Congress and the IAA Staff Panel Unions in order that we can understand fully the role of the CAR in respect of the RP3 process. I would therefore be obliged if the Commission could contact me at its earliest convenience to arrange a mutually acceptable date to meet.

I outline our questions as follows

Question 1:

Commission Paper (CP)10/2020 Section 2.5 refers to *“establishing reasonable expectations on cost control measures implemented and planned by the IAA ANSP in response to Covid-19.”*

It's not clear from the regulations if there is going to be a requirement, i.e. a KPI demonstrating that savings were made. Which article of EU 317/2019 or EU 2020/1627 confers the responsibility for the CAR to establish 'reasonable expectations'?

Question 2:

CP 10/2020 Section 3.4 states that *“when reviewing the cost-control measures of the ANSP, we will assess whether it took practical and achievable steps in 2020 and 2021 in response to Covid-19 in respect of:*

- reviewing existing and new operating costs, resulting in an efficient level in a timely manner.”

It is not clear from the regulations if there is going to be a requirement, i.e. a KPI demonstrating that savings were made. Which article of EU 317/2019 or EU 2020/1627 confers the responsibility for the CAR to assess whether the IAA took *‘practical and achievable steps in 2020 and 2021 in response to Covid-19’*?

Question 3:

CP 10/2020 Section 3.9 states that *“We will assess efficient levels of staff costs at some level of granularity with elements of benchmarking as appropriate.”*

In respect of benchmarking, will the comparator nations used be in accordance with the 2018 PRB report i.e. Finland, Sweden, Denmark, Norway and will the framework used to assess the financial cost effectiveness be in accordance with Annex A of Eurocontrol Specification for Economic Information Disclosure Ed. 3? If this is not the case, please identify which comparator nations and which framework for financial cost effectiveness will be used.

Question 4:

CP 10/2020 Section 3.18 states that *“we will assess the efficient level of MET and NSA (CAR, SRD) operating and capital costs (in line with the above methodologies where appropriate).”*

A more detailed description of this process is required. What metrics and methodologies will be used in the assessment of operating and capital costs?

What comparators if any will the MET and NSA be benchmarked against?

What regulatory provision allows for this assessment?

Question 5:

CP 10/2020 Section 3.17 states that *“we will assess the costs associated with implementing the government policies and the appropriate method of recovery”.*

A more detailed description of this process is required. What metrics and methodologies will be used in the assessment?

Question 6:

Article 29 of EU 317/2019 requires the Member State to set the unit rate. Who is acting as the Member State in this process?

Question 7:

Article 39 of EU 317/2019 states that *“Member States shall ensure that decisions taken by their competent national authorities pursuant to this Regulation are duly reasoned and are subject to effective judicial appeal in accordance with national law.”*

What process is in place for this step and to whom would an appeal be made?

I trust you will reply to us at your earliest convenience

Yours sincerely



Liam Berney
Industrial Officer
Irish Congress of Trade Unions