|  |
| --- |
| **ADDITIONAL INFORMATION TO REPORTING TABLES 1 – TOTAL COSTS AND UNIT COSTS** |

|  |
| --- |
| 1. **Determined costs and unit costs**
 |

|  |
| --- |
| **a) Description of the methodology used for allocating costs of facilities or services between different air navigation services, based on the list of facilities and services listed in ICAO Regional Air Navigation Plan, European Region (Doc 7754) as last amended, and a description of the methodology used for allocating those costs between different charging zones;** |

**Avinor Air Navigation Services (Avinor ANS)** provides en-route air navigation services in Norway charging zone. In addition, Avinor ANS delivers local air navigation services at controlled aerodromes and approach control services in combination with aerodrome control units or as an integrated part of the Air Traffic Control Centres in Oslo and Bodø.

**Operating cost:** Operating costs related to the provision of en-route air navigation services from the three area control units in Bodø, Stavanger and Oslo are included in the en-route cost base. In addition, a share of the operating costs related to the provision of approach control services is included in the en-route cost base. This basic share is 80% (50% in RP2) of the cost for the provision of approach control services.

Where approach control services are provided from an aerodrome control unit, an 80% share of the operating cost is allocated to the en-route cost base.

When approach control services are provided from the Air Traffic Control Centres (ATCC) in Bodø and Oslo, a share of the operating cost is allocated to the provision of approach control service. In this case, 80% (50% in RP2) of this operating cost for approach control services is allocated to the en-route cost base whereas the remaining 20% (50% in RP2) is distributed among the airports concerned.

The costs of military activities (FUA) are included in the en-route cost base. These costs include separation of military and civil flights, planning and service provision during military exercises, advisory services i.e. airspace design, and air traffic services at military airports. In RP2 these costs were extracted from the en-route cost base and allocated to a separate cost base.

The costs related to service provision to offshore helicopter operations from the ATCC´s in Bodø and Stavanger are identified separately, allocated to a separate cost base and removed from the en-route cost base.

**Support cost:** A number of cost allocation keys are in use to distribute different support and overhead costs between all type of units. These allocation keys are different, dependant on the type of cost. The main purpose is to ensure that the cost allocation is in line with the operational requirements and the actual use of the different support functions. Support cost associated with tower control functions is forwarded to the airport operators. 20% (50% in RP2) of the cost associated with approach control functions is allocated to the airport operators, whereas the remaining 80% (50% in RP2) and the support cost associated with en-route functions is allocated to the en-route cost base.

**CNS-cost:** The cost related to the operation of the CNS facilities is divided between tower control functions, approach control functions and en-route functions. When CNS/ATM-equipment is serving different functions, a proportional number is defined for each installation based on the operational requirements and the actual use of the installation concerned. The cost related to tower control functions is allocated entirely to the airport operator, whereas the cost related to approach control services is divided between the airport operator and the en-route cost base in line with the applicable cost allocation of approach control cost (see above). The cost allocated to en-route functions is allocated entirely to the en-route cost base.

**Depreciation:** Depreciation cost is allocated depending on the actual use of the installations concerned. Where an installation serves different functions, a proportional division between tower control services, approach control services and en-route services are determined. This is determined based on the operational use of the installation. The depreciation cost in the en-route cost base includes the depreciation for installations that are used entirely or partly for en-route functions and 80% (50% in RP2) of the depreciation cost for installations that are used entirely or partly for approach control functions.

**Avinor AS - Kristiansand airport, Kjevik (Saerco Norge):**

Through a tender process in 2019 the Spanish company Saerco was awarded the right to provide ATC-services for “tower and approach” at one of the medium sized Norwegian airports (Kristiansand airport, Kjevik). Saerco started its operations at Kjevik 28 April 2020.

The allocation key for approach cost as described above is based on a national decision irrespective of service provider. As a consequence the en-route share of the approach cost at Kjevik is reported separately in the reporting tables as “ANSP Kje”.

|  |
| --- |
| **b) Description of the methodology and assumptions used to establish the costs of air navigation services provided to VFR flights, when exemptions are granted for VFR flights in accordance with Article 31(3), 31(4) and 31(5);** |

The cost of air navigation services provided to VFR flights is estimated based on the share of VFR traffic on total traffic.



|  |
| --- |
| **c) Criteria used to allocate costs between terminal and en route services, in accordance with Article 22(5);** |

**2019 Baseline adjustments**







**Avinor Flysikring AS (ANS):**

The above change was implemented as from 2020, methodology also described in 1a)

|  |
| --- |
| **d) Breakdown of the meteorological costs between direct costs and the costs of supporting meteorological facilities and services that also serve meteorological requirements in general (‘MET core costs’). MET core costs include general analysis and forecasting, surface and upper-air observation networks, meteorological communication systems, data processing centres and supporting core research, training and administration;** |

The meteorological costsare entirely defined as “Other operating costs” as the designated MET provider in Norway operates as a subcontractor to Avinor ANS as per now.



MET-costs are classified in the En-Route cost base as Staff (86%) and other operating costs (14%) according to feedback from the MET-service provider (The Norwegian Meteorological Institute)

|  |
| --- |
| **e) Description of the methodology used for allocating total meteorological costs and MET core costs referred to in point (d) to civil aviation and between charging zones;** |

Meteorological costsincluded in the en-route cost base are based on the actual forecast products specified by the met office related to en-route services. Area forecasts, upper-wind forecasts, costs related to volcanic ashes etc. A proportion of the met watch office and briefing services are also allocated to en-route. The met forecasts related to the approach services to an airport operator are divided between the airport operator and the en-route services with 80% of the approach cost allocated to en-route.

|  |
| --- |
| **f) For each entity, description of the composition of each item of the determined costs by nature and by service (points 1 and 2 of Table 1), including a description of the main factors explaining the planned variations over the reference period;** |

***Determined costs by nature and by service***

|  |
| --- |
| **Entity: Avinor Air Navigation Services**  |
| **1. Detail by nature (in nominal terms)** |
| 1.1 Staff costs | The pandemic dramatically changed the situation for aviation in Norway after its outbreak. Even though traffic levels have been higher in Norway than in many other European countries, the reduction in 2020 was 42 % for IFR movements and 50 % for en-route service units. This was due to the Norwegian dependence on national air traffic, despite the pandemic. Stringent restrictions on international travel have however led to almost an absence of international flights to and from Norway during large parts of 2020 and 2021. Already before the pandemic, during autumn 2019, Avinor ANS had initiated a reorganisation of administrative units, resulting in a 30 % reduction in administrative and support staff (40 FTEs), with effect from late 2019/early 2020. As a consequence, Avinor ANS entered the new year with a slimmer and more efficient support staff. When the pandemic struck the market in spring 2020, Avinor ANS responded to the traffic downturn with a number of furloughs both in operational and support units. The furloughs have been ranging from 10 % to 100 % of staff at the units, in the operational units mostly 100 %. During the last year Avinor ANS has also entered voluntary redundancy agreements to reduce the number of staff permanently.In addition, salaries were reduced for management, and variable cost items, such as overtime, travel and consultancy fees have been considerably reduced as a direct response to traffic and revenue shortfall. ATCO training has been paused until the uncertainty in the traffic forecast is reduced. The Norwegian government has implemented a number of measures to help businesses hard hit by the pandemic. Norwegian companies’ right to furlough staff was expanded during 2020, through an act passed by the Norwegian government. This legislation was implemented in order to allow businesses negatively impacted by Covid-19 to adjust cost to revenue shortfalls, and to avoid severe adverse effects on employment. Avinor ANS reports that the cost development in the medium and longer term will be driven by the gradual return to normal traffic volumes. A number of cost containment measures are established and followed up through a cost containment programme. The traffic situation is continuously monitored and all measures are balanced against the capacity to meet the expected traffic increase in the coming months/years. In addition to adjusting costs to the traffic shortfall, implementation of the new ATM system is the primary focus for Avinor ANS in RP3, both to be compliant with legal requirements, but also to enable benefits for the users in the longer run (RP4). The investment project has, with few exceptions, followed the original plan during the last year. Implementation is still planned by the end of RP3. Training costs on the new ATM-system cannot be capitalised according to accounting practices and will be a driver for staff costs during the last years of RP3. There will also be a period in which two systems (existing and new) will operate simultaneously. This will also affect the level of staff and operating cost.  |
|  of which, pension costs | No material changes in pension cost is expected during RP3, but it is variable to changes in underlying assumptions for the defined benefit plan. Avinor ANS has both a defined benefit plan and a defined contribution plan, of which the first mentioned was closed for new members 1.1.2019. The new scheme is expected to be more predictable with regards to cost in the longer run, as a gradually larger share of personnel are members of the defined contribution scheme.  |
| 1.2 Other operating costs | Please see 1.1.  |
| 1.3 Depreciation | Depreciations relate to the total fixed assets in operation of en-route services. Capital expenditure has increased in RP2 and will increase further in RP3. This gives an impact on depreciations and cost of capital during RP3, especially as a consequence of two investment projects, NORWAM phase 2 in 2022 and planned completion of Future ATM System in 2024.Please also see 1.1. |
| 1.4 Cost of capital | Cost of capital on assets used for en-route services.The WACC for RP3 is 5,85 %. This is based on an analysis performed by the external financial consultants (Oslo Economics) in 2019. For further details, please see table under 1 i). |
| 1.5 Exceptional items | N/A |
| **2. Detail by service (in nominal terms)** |
| 2.1 Air Traffic Management | The cost allocation model in Avinor ANS does not support allocation on services as specified in the reporting tables. Total cost is allocated based on fixed shares on the different services.  |
| 2.2 Communication | Please see 2.1.  |
| 2.3 Navigation | Please see 2.1. |
| 2.4 Surveillance | Please see 2.1. |
| 2.5 Search and rescue | Please see 2.1. |
| 2.6 Aeronautical Information | Please see 2.1. |
| 2.7 Meteorological services | Please see 2.1. |
| 2.8 Supervision costs | Please see 2.1. |
| 2.9 Other State costs | Eurocontrol costs |
| **Adjustments beyond the provisions of the International Financial Reporting Standards adopted by the Union pursuant to Regulation (EC) No 1126/2008** |
| < > |

***Pension costs***

*Note: The determined pension costs of the main ANSPs are detailed and justified in the body of the performance plan (item 3.4.3)*

|  |
| --- |
| **Entity: Avinor Air Navigation Services**  |
| **Assumptions underlying the determined pension costs and expected evolution over Reference Period 3** |
| Please see 1.1. Staff cost/pension cost in table 1 f.  |

|  |
| --- |
| **g) For each entity, a description and justification of the method adopted for the calculation of depreciation costs (point 1.3 of Table 1): historical costs or current costs referred to in the fourth subparagraph of Article 22(4), and, where current cost accounting is used, provision of comparable historical cost data;** |

Depreciation costs relate to the total fixed assets in operation for ANS purposes. These fixed assets are depreciated in accordance with their expected operating life cycle. Avinor ANS uses a linear method applied to historic cost of the assets.

Avinor ANS’s financial statement complies with International Accounting Standards, IFRS. Avinor ANS’ depreciation method is in accordance with applicable law.

|  |
| --- |
| **h) For each entity, description and underlying assumptions of each item of complementary information (point 3 of Table 1), including a description of the main factors explaining the variations over the reference period;** |

|  |
| --- |
| **Avinor Air Navigation Services** |
| **Costs of new and existing investments (see also performance plan item 2)** |
| 3.10 Depreciation | Covered in item f) above |
| 3.11 Cost of capital  | Covered in item f) above |
| 3.12 Cost of leasing  | Not applicable |

|  |
| --- |
| **Eurocontrol costs** |
| 3.13 Eurocontrol costs (Euro) | Forecast EUROCONTROL cost-base 2022-2026 figures presented to the Standing Committee on Finance on 13 October 2021. |
| 3.14 Exchange rate (if applicable) | 2020: 10,7208 (Average 2020 exchange rate by Reuters).2021: 10,779 (Average September 2020 exchange rate by Reuters2022-2024: 10,191 (Average April 2021 exchange rate by Reuters) |

|  |
| --- |
| **i) For each entity, description of the assumptions used to compute the cost of capital (point 1.4 of Table 1), including the composition of the asset base, the return on equity, the average interest on debts and the shares of financing of the asset base through debt and equity;** |

|  |
| --- |
| **Avinor Air Navigation Services** |
| **Average asset base** |
| 3.1 NBV fixed assets | Based on the financial accounts for Avinor ANS for 2020, and the share of fixed assets used for en-route services, less the share of offshore services which is allocated to a separate cost base. The increase in asset base during RP3 is driven by the investment projects described above (1f).  |
| 3.2 Adjustments total assets |  |
| 3.3 Net current assets | Based on the financial accounts for Avinor ANS for 2020, and the share of fixed assets used for en-route services and the share of working capital related to en-route services, less the share of offshore services which is allocates to a separate cost base.  |
| **Cost of capital %** |
| 3.6 Return on equity | Return on equity before tax is set to 10,20% based on an analysis performed by external financial consultants Oslo Economics. Please see table below |
| 3.7 Average interest on debts | Average interest on debts before tax is set to 2,95% based on an analysis performed by Oslo Economics. Please see table below |
| 3.8 Share of financing through equity | Share of financing through equity is set to 40% in the analysis performed by Oslo Economics, which is in accordance to the articles of association for Avinor AS issued by the Ministry of Transport, stating that that the group's equity may not be less than 40% of the group's interest-bearing long-term loans and equity at any given time. Please see table below |
| **ANSP/Entity: Avinor ANS** | **RP3** |
| **Cost of Capital (WACC) in nominal terms** | **2020** | **2021** | **2022** | **2023** | **2024** |
| **Capital structure (% debt)** | 60% | 60% | 60% | 60% | 60% |
| **Return on Equity % (pre tax) - T1 3.6** | 10,20% | 10,20% | 10,20% | 10,20% | 10,20% |
| **Interest on debt % (pre tax) - T1 3.7** | 2,95% | 2,95% | 2,95% | 2,95% | 2,95% |
| **WACC % (pre tax) - T1 3.5** | 5,85% | 5,85% | 5,85% | 5,85% | 5,85% |

|  |
| --- |
| **j) Description of the determined costs of common projects (point 3.9 of Table 1).** |

|  |
| --- |
| **Avinor ANS** |
| **Determined costs of common projects (in nominal terms in ‘000 national currency)** |
| **CP reference** | **2020** | **2021** | **2022** | **2023** | **2024** |
| Free Route Airspace functionality (FRA) | 21 455 KNOK | 21 455 KNOK | 21 455 KNOK |  |  |
|  |  |  |  |  |  |
| **Total (Table 1 item 3.9)** | 21 455 KNOK | 21 455 NOK | 21 455 KNOK |  |  |

|  |
| --- |
| 1. **Actual costs and unit costs**
 |

|  |
| --- |
| **a) For each entity and for each cost item, a description of the reported actual costs and the difference between those costs and the determined costs, for each year of the reference period;** |

As the local cost-efficiency performance targets for RP3 are currently subject to revision as part of the draft performance plans to be submitted by Member States to the Commission by 1 October 2021, in line with the exceptional measures for RP3 due to the COVID-19 pandemic (Regulation (EU) 2020/1627 of 3 November 2020), the monitoring of the 2020 actual performance is carried out against the 2019 actual performance.

The main drivers for differences between actual data for 2020 and actual data for 2019 are presented for each item of cost by nature in the tables below.

|  |
| --- |
| **RP3 Monitoring – Year 2020 vs. 2019** |
| **ANSP: Avinor ANS** |
| 1.1 Staff costs | An adjustment is made to the 2020 actuals compared to the June submission. Rent/leases were reclassified in the financial accounts for 2020, from other operating cost to depreciation, due to the implementation of IFRS 16. This cost item was incorrectly not included in any of the two cost categories in the reporting tables as per June. As a consequence, the depreciation for 2020 has increased by 28,2 mnok in the October 2021 submission. The cost reduction from 2019 to 2020 is approx. -94 mnok / -8,4 % in real terms, ref. Table 1, item 5.3. However, a baseline adjustment of +160 mnok is included in this cost reduction. If disregarding the baseline adjustment, the cost reduction from 2019 to 2020 is approx. -254 mnok / -20 %. Please see *1f, 1.1. Staff cost* for more information on cost containment measures. The 2019 pension cost was adversely affected by a number of factors; changes in interest rates, one-off costs related to transfer of personnel from defined benefit to defined contribution scheme and effects from a new Public Service Pension Act.  |
| 1.2 Other operating costs | Please see 1.1., and 1f, 1.1. |
| 1.3 Depreciation | Depreciation is increasing due to change of allocation method. The assets are allocated relating to the services they are supporting instead of the cost-center used in the ANSPs asset base. |
| 1.4 Cost of capital | Cost of capital is calculated based on a WACC rate of 5,85%. |
| 1.5 Exceptional items | N/A |

|  |
| --- |
| **RP3 Monitoring – Year 2020 vs. 2019** |
| **ANSP: MET** |
| 1.1 Staff costs | N/A |
| 1.2 Other operating costs | MET cost are based on the met products for en-route. |
| 1.3 Depreciation | N/A |
| 1.4 Cost of capital | N/A |
| 1.5 Exceptional items | N/A  |

|  |
| --- |
| **RP3 Monitoring – Year 2020 vs. 2019** |
| **STATE/NSA: Avinor ANS** |
| 1.1 Staff costs | N/A |
| 1.2 Other operating costs | Eurocontrol costs in 2020A is 7,305 MNOK lower than 2019A mainly due to financial measures taken in 2020 in light of COVID-19.  |
| 1.3 Depreciation | N/A |
| 1.4 Cost of capital | N/A |
| 1.5 Exceptional items | N/A |

|  |
| --- |
| **b) Description of the reported actual service units and a description of any differences between those units and the figures provided by the entity that is billing and collecting charges as well as any differences between those units and the forecast set in the performance plan, for each year of the reference period;** |

The total amount of service units in 2020A was 49,54% lower than the total amount of service units in 2019A.

|  |
| --- |
| **c) Breakdown of the actual costs of common projects per individual project;** |

|  |
| --- |
| **Avinor ANS** |
| **Determined costs of common projects (in nominal terms in ‘000 national currency)** |
| **CP reference** | **2020** | **2021** | **2022** | **2023** | **2024** |
| INEA/CEF/TRAN/M2014/1037259 | 21 455 KNOK | 21 455 KNOK | 21 455 KNOK |  |  |
|  |  |  |  |  |  |
| **Total (Table 1 item 3.9)** | **21 455 KNOK** |  **21 455 KNOK** | **21 455 KNOK** |  |  |

|  |
| --- |
| **d) Justification of the difference between the determined and the actual costs of new and existing investments of the air navigation service providers, as well as the difference between the planned and the actual date of entry into operation of the fixed assets financed by those investments for each year of the reference period;** |

In respect of calendar year 2020, this information is to be provided in the annual monitoring report (see section 4 of the RP3 monitoring template).

|  |
| --- |
| **e) Description of the investment projects added, cancelled or replaced during the reference period with respect to the major investment projects identified in the performance plan, and approved by the national supervisory authority in accordance with Article 28(4).** |

In respect of calendar year 2020, this information is to be provided in the annual monitoring report (see section 4 of the RP3 monitoring template).

|  |
| --- |
| **ADDITIONAL INFORMATION TO REPORTING TABLES 2 – UNIT RATE CALCULATION** |

|  |
| --- |
| **a) Description and rationale for establishment of the different charging zones, in particular with regard to terminal charging zones and potential cross-subsidies between charging zones;** |

Norway has only one charging zone.

|  |
| --- |
| **b) Description of the policy on exemptions and description of the financing means to cover the related costs;** |

Exempted flights constitute approximately 1% of total service units. The cost of exemptions is financed through commercial income in the Avinor Group.

Exempted flights are specific dignitary flights, flights by aircraft less than 2 tons, SAR, calibration flights, circular flights, VFR, humanitarian flights and flights to and from Svalbard. Exempted flights are covered by Avinor AS through commercial revenue based on invoices from Avinor ANS according to the national regulations.

Avinor ANS provides en-route and approach services for all military activity. These include separation of military and civil flights, planning and service provision during military exercises, advisory services and airspace design. These costs are covered through the en-route cost base from RP3.

Actual costs incurred in relation to services to flights exempted from ANS charges (pursuant to Article 31(3) to (5) and Article 22(6) of Implementing Regulation (EU) 2019/317) in the charging zone in 2020.

|  |  |
| --- | --- |
|  | **2020** |
| Costs for exempted VFR flights | 1 125 KNOK |
| Costs for exempted IFR flights |  |
| **Total costs for exempted flights** |  |

Costs planned in relation to services to flights exempted from ANS charges (pursuant to Article 31(3) to (5) and Article 22(6) of Implementing Regulation (EU) 2019/317) in the charging zone in 2021.

|  |  |
| --- | --- |
|  | **2021** |
| Costs for exempted VFR flights | 1 052 KNOK |
| Costs for exempted IFR flights |  |
| **Total costs for exempted flights** |  |

|  |
| --- |
| **c) Description of adjustments resulting from the traffic risk sharing mechanism in accordance with Article 27;** |

Not applicable for this submission – will be based on the combined year 2020-2021 after the adoption of the RP3 performance plan as per Article 16 (Exceptional measures for RP3 due to the COVID-19 pandemic (Regulation (EU) 2020/1627, Article 5(1) and (2))).

|  |
| --- |
| **d) Description of the differences between determined costs and actual costs of year n as a result of the changes in costs referred to in Article 28(3) including description of the changes referred to in that Article;** |

Not applicable for this submission – will be based on the combined year 2020-2021 after the adoption of the RP3 performance plan as per Article 16 (Exceptional measures for RP3 due to the COVID-19 pandemic (Regulation (EU) 2020/1627, Article 5(3).

|  |
| --- |
| **e) Description of adjustments resulting from unforeseen changes in costs in accordance with Article 28(3) to (6);** |

Not applicable for this submission – will be based on the combined year 2020-2021 after the adoption of the RP3 performance plan as per Article 16 (Exceptional measures for RP3 due to the COVID-19 pandemic (Regulation (EU) 2020/1627, Article 5(3).

|  |
| --- |
| **f) Description of the other revenues, if any, broken down between the different categories indicated in Article 25(3);** |

Revenues received from Union assistance programmes (INEA) carried over from previous reference period RP2 amounts to 19,3 MNOK, affecting the unit rates the first three years in RP3 (ref. en route reporting tables RP3, sheet T2, item 13.8). No revenues received from Union assistance programmes in current reference period RP3.

|  |
| --- |
| **g) Description of the application of the financial incentive schemes referred to in Article 11(3) and 11(4) in year n and the resulting financial advantages and disadvantages; description and explanation of the modulation of air navigation charges applied in year n under Article 32 where applicable, and resulting adjustments;** |

***Financial incentive schemes***

The description and justification of the parameters of the incentive scheme defined in accordance with Article 11(3) and 11 (4) are provided in the body of the performance plan under item 5.2.

***Modulation of charges***

The actual application and relating financial advantages and disadvantages for 2020 is not applicable (Exceptional measures for RP3 due to the COVID-19 pandemic (Regulation (EU) 2020/1627, Article 3 (3)).

|  |
| --- |
| **h) Description of adjustments relating to the temporary application of a unit rate under Article 29(5);** |

Not applicable for this submission – will be based on the combined year 2020-2021 after the adoption of the RP3 performance plan as per Article 16 (Exceptional measures for RP3 due to the COVID-19 pandemic (Regulation (EU) 2020/1627, Article 5(4))).

|  |
| --- |
| **i) Description of the cross-financing between en route charging zones, or between terminal charging zones, in accordance with point (e) of Article 15(2) of Regulation 550/2004;** |

Not applicable for this submission in current reference period RP3 (ref. En-Route reporting tables RP3, sheet T2, item 13.9).

|  |
| --- |
| **j) Information on the application of a lower unit rate under Article 29(6) than the unit rate calculated in accordance with Article 25(2) and the means to finance the difference in revenue;** |

In the en route reporting table T2, item 13.14 reduction as per Art. 29(6)) for combined year 2020/2021 amounts to -352,74 NOK/SU shows the effect of the revenue losses (930,0 MNOK) both from item 13.7 Traffic adjustments (45,2 MNOK) to be carried forward to 2022 and 2023, and from item 13.10 difference in revenue from temporary application of unit rate (884,8 MNOK) not to be carried forward to 2023-2029.

To mitigate the consequences of the pandemic on the aviation industry the Norwegian Ministry of Transport has made the following decisions:

With reference to (EU)2019/317 Article 29(6), the en-route unit rate for 2022 will be kept unchanged in real terms compared to the previous year. With an expected inflation rate of 1,9 % according to Statistics Norway the en-route unit rate is re-calculated to 546,33 NOK/SU, a reduction as per Art. 29(6) of -61,21 NOK/SU. The impact for Avinor ANS is an expected revenue loss (deficit) for the en-route services of 125,3 MNOK in 2022, compared with the unit rate calculated in accordance with (EU) 2019/317, Article 25 (2)



With regard to the calculations leading to a determined unit cost/unit rate for the years 2023 and 2024, the Norwegian Ministry of transport reserves the right to decide setting unit rates at a lower level in order to further stimulate the recovery of traffic post covid-19. In that case, this will be communicated in the autumn 2022 (UR 2023) and correspondingly in the autumn 2023 (UR 2024)





|  |
| --- |
| **k) Information and breakdown of the adjustments relating to previous reference periods impacting the unit rate calculation;** |





**Cost exempt from previous RPs - Pension Costs:**

In total pension costs claimed as exempted from cost sharing in the en route reporting tables amounts to 108 967 KNOK (unforeseeable changes in national pensions law) carried over from previous reference period, to be reimbursed by the airspace users. Ref. en route reporting tables sheet T3 ANSP Avinor, total adjustment relating to cost exempt from previous RPs.

After a review of the external actuarial consultants AON Norway primo year 2021, the CAA-N concludes that in addition to the above mentioned, pension costs eligible as exempted stemming from unforeseeable changes in financial market conditions is calculated to -17740 KNOK (6 690+2 880+7 050+1 120) in RP2, i.e. to be carried over and reimbursed to the airspace users in RP3.



Ref. en route reporting tables sheet T3 ANSP Avinor, total cost adjustment from previous RPs relating to unforeseeable changes in national pensions law and financial market conditions is +108 967 MNOK – 17 740 MNOK = 91 227 MNOK (please see table below).



**General information Covid-19 measures**

The Avinor Group comprises Avinor AS, that operates the majority of the Norwegian airports, and Avinor Flysikring AS, the ANS provider. Avinor Flysikring AS is a subsidiary of Avinor AS.

Financial support has been provided to the Avinor group by its owner in 2020 and 2021 to strengthen the group’s solidity to mitigate weakened credit metrics due to Covid-19.

From Avinor’s annual and sustainability report 2020:

“The loss of traffic caused a significant drop in revenues due to heavy falls in passenger numbers, as well as the Norwegian authorities largely opting to suspend fees due to Avinor for services provided to airlines. Avinor is usually self-financed based on commercial revenues and fees, but in this situation financial support in the form of an injection of capital was required in order to maintain the Group’s liquidity and equity. The Group’s owner, the Norwegian Ministry of Transport, provided support in 2020 amounting to approximately NOK 3.6 billion, and Avinor anticipates that it will remain dependent on support to a similar level throughout 2021. The precise amount will be determined by how quickly the pandemic improves and how quickly passengers resume travel.”

To mitigate the consequences of the pandemic on the aviation industry the Norwegian Ministry of Transport has made the following decision:

In 2020-2021 the total en route revenue loss (deficit) is 930,0 MNOK, whereof an amount of 884,8 MNOK will not be recovered through unit rate adjustments in 2023 and 2024, nor carried over to the airspace users to the next RP. This is shown in table T3 Revenue difference - revision of UR 2020-2021, set to zero for the years from 2023-2024 (and in next RP), also shown in table T2 item 13.10 Difference in revenue from temporary application of unit rate (ref. please see tables above in add.info. to reporting tables 2, 2 j) and 2 k))

|  |
| --- |
| **ADDITIONAL INFORMATION TO REPORTING TABLE 3 – COMPLEMENTARY INFORMATION ON COMMON PROJECTS AND ON UNION ASSISTANCE PROGRAMME** |

|  |
| --- |
| **l) Information on the costs of common projects and other funded projects broken down per individual project, as well as of public funds obtained from public authorities for these projects.** |

A share of costs of common projects (depreciations) related to investments of 118 MNOK from previous reference period (RP2), amounting to 64,3 MNOK, is carried over to the first three years of the current reference period RP3.

A share of the granted public funds (INEA) stemming from the above mention project, amounting to 19,3 MNOK, is carried over to RP3. This affects the unit rates for the first three years of RP3 (ref. en route reporting tables RP3, sheet T1, item 3.9 and sheet T2, item 13.8).

There are no costs of common projects and public funds in relation to investments in RP3.

Norway is not part of the European Union’s CEF funding program and is not directly eligible for CEF funding for implementing SESAR solutions.