FAB Performance Plan

Baltic FAB

Second Reference Period (2015-2019)

Signatories

Performance plan details	
FAB Name	Baltic FAB
Version number	1
Date of issue	16 June 2014
Date of adoption	

Member State	Name, title and signature of representative
Lithuania	Mr Vilius Veitas Head of Civil Aviation Division Road Transport and Civil Aviation Policy Department Ministry of Transport and Communications
Poland	Mr Marcin Zimny Head of Air Transport Development Division Department of Aviation Ministry of Infrastructure and Development

Additional comments	

Table of Content

7 IMPLEMENTATION OF THE PERFORMANCE PLAN

8 ANNEXES

ANNEX A. PUBLIC CONSULTATION MATERIAL
ANNEX B. RELEVANT DOCUMENTATION IN LINE WITH THE NSP
ANNEX C. REPORTING TABLES
ANNEX D. ANSPS INVESTMENT PLANS
ANNEX E. ADDITIONAL MATERIAL

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

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

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

1. In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
    - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;:
    - The entries and justification requiring data from external sources i.e.
        - The traffic forecast used and, if applicable, their justification against STATFOR
        - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
    - The local alert thresholds, if any, and their justification.
    - A presentation of the consolidation of the targets at FAB level.

2. In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities…), as follows:
    - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
    - The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation,.

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

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

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

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

1.5. List of airports submitted to the performance scheme in application of Article 1 of the Regulation, with their average number of IFR air transport movements.	1.5.			
1.6. List of exempted airports pursuant to Article 1(5) of Implementing Regulation (EU) No 391/2013 together with their average number of IFR air transport movements.				
2. INVESTMENT	2			Annex D
2.1. Description and justification of the cost, nature and contribution to achieving the performance targets of investments in new ATM systems and major overhauls of existing ATM systems, including their relevance and coherence with the European ATM Master Plan, the common projects referred to in Article 15a of Regulation (EC) No 550/2004, and, as appropriate, the Network Strategy Plan.				
2.2. The description and justification referred to in point 2.1 shall in particular:				
(i) relate the amount of the investments, for which description and justification is given following point 2.1, to the total amount of investments;				
(ii) differentiate between investments in new systems, overhaul of existing systems and replacement investments;				
(iii) refer each investment in new ATM systems and major overhaul of existing ATM systems to the European ATM Master Plan, the common projects referred to in Article 15a of Regulation (EC) No 550/2004, and, as appropriate, the Network Strategy Plan;				
(iv) detail the synergies achieved at functional airspace block level or, if appropriate, with other Member States or functional airspace blocks, in particular in terms of common infrastructure and common procurement;				
(v) detail the benefits expected from these investments in terms of performance across the four key performance areas, allocating them between the en route and terminal/airport phases of flight, and the date as from which benefits are expected;				
(vi) provide information on the decision-making process underpinning the investment, such as the existence of a documented cost-benefit analysis, the holding of user consultation, its results and any dissenting views expressed.				
3. PERFORMANCE TARGETS AT LOCAL LEVEL	3			
3.1. Performance targets in each key performance area, set by reference to each key performance indicator as set out in Annex I, Section 2, for the entire reference period, with annual values to be used for monitoring and incentive purposes:	3,1			
(a) Safety	3.1.(a)			

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

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

3.4. Contribution of each air navigation service provider concerned to the achievement of the performance targets set for the functional airspace block in accordance with Article 5(2)(c)(ii).	3.1.(a).(i) 3.1.(a). (ii) 3.1.(a). (iii) 3.1.(a). (iv) 3.1.(b).(i) & (ii) 3.1.(b).(iii) 3.1.(c).(i) 3.1.(c).(ii) 3.1.(c).(iii) 3.1.(c).(iv)	RT 1 (All)	AI 4 a)	
4. INCENTIVE SCHEMES	4			
4.1. Description and explanation of the incentive schemes to be applied on air navigation service providers.	4,1			
5. MILITARY DIMENSION OF THE PLAN	5			
Description of the civil-military dimension of the plan describing the performance of FUA application in order to increase capacity with due regard to military mission effectiveness, and if deemed appropriate, relevant performance indicators and targets consistent with the indicators and targets of the performance plan.				
6. ANALYSIS OF SENSITIVITY AND COMPARISON WITH THE PREVIOUS PERFORMANCE PLAN	6			
6.1. Sensitivity to external assumptions.	6,1			
6.2. Comparison with previous performance plan.	6,2			
7. IMPLEMENTATION OF THE PERFORMANCE PLAN	7			
Description of the measures put in place by the national supervisory authorities to achieve the performance targets, such as:				
(i) monitoring mechanisms to ensure that the ANS safety programmes and business plans are implemented;				
(ii) measures to monitor and report on the implementation of the performance plans including how to address the situation if targets are not reached during the reference period.				

SECTION 1: INTRODUCTION

Mapping between the template for the FAB performance plan and Annex II of the performance Regulation				
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1.5. List of airports submitted to the performance scheme in application of Article 1 of the Regulation, with their average number of IFR air transport movements.	1.5.			
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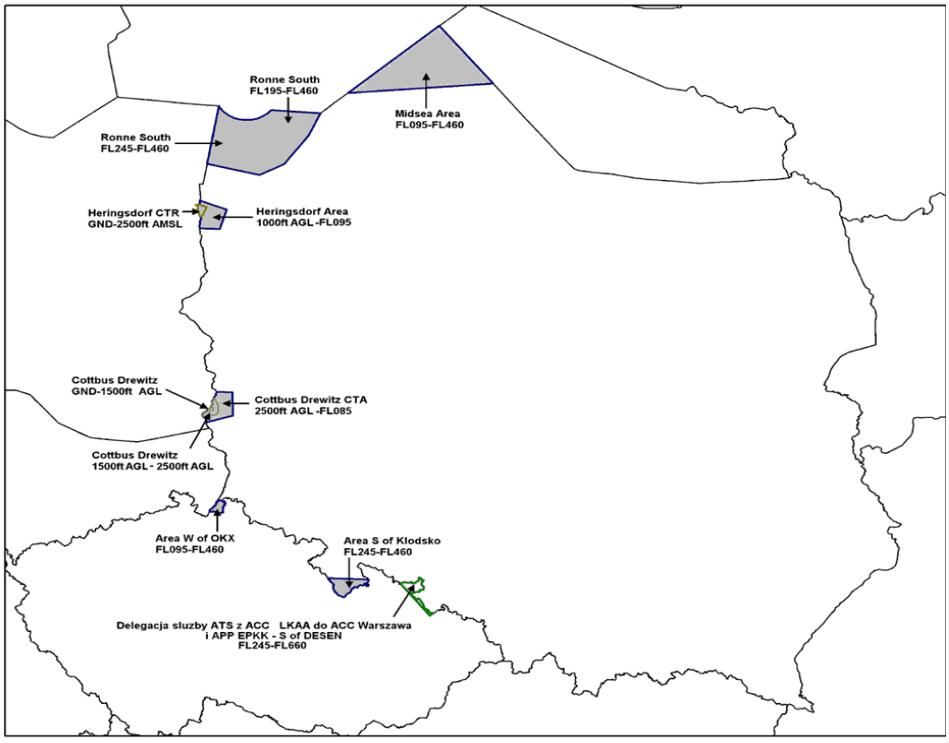
1 - INTRODUCTION

1.1 - The situation

NSAs responsible for drawing up the Performance Plan	Baltic FAB Performance Plan is jointly developed by Lithuanian and Polish NSAs. Baltic FAB Board sets performance targets and approves the plan as described in “Agreement on the establishment of the Baltic FAB between the Republic of Poland and the Republic of Lithuania”.
NSA responsible for the coordination within the FAB	Mr Dariusz Wojtasik – Head of Division in Air Navigation Department of the Polish CAA Ms Rūta Vaigauskaitė – Advisor, Finance and Economic Division of the Lithuanian CAA
List of accountable entities	Polish Civil Aviation Authority Lithuanian Civil Aviation Administration State Enterprise "Oro navigacija" Polish Air Navigation Services Agency Institute of Meteorology and Water Management National Research Institute Lithuanian certified MET service provider - Lietuvos hidrometeorologijos tarnyba (LHMT) Mazovian Airport - Warszawa Modlin sp. z o.o.
Geographical scope	Baltic FAB Performance Plan covers Flight Information Region Warszawa and Flight Information Region Vilnius.

Additional comments	Baltic FAB Board decided to delegate the tasks related to acting as focal point responsible for continuous coordination within the Baltic FAB and relations with European Commission as regards the implementation of the Baltic FAB Performance Plan 2015-2019 to Mr Dariusz Wojtasik – Head of Division in Air Navigation Department of the Civil Aviation Authority of the Republic of Poland and Ms Rūta Vaigauskaitė – Advisor, Finance and Economic Division of the Civil Aviation Administration of the Republic of Lithuania. Mr Dariusz Wojtasik and Ms Rūta Vaigauskaitė shall alternatively perform the focal point’s function for the 6 months periods of time (starting from 1st January 2014). Mr Dariusz Wojtasik shall be nominated as the first Baltic FAB performance focal point.

Cross border service Provision in FIR Warszawa



1.2 - Description of the macroeconomic scenario including overall assumptions

POLAND

Institutional context

The President of the Civil Aviation Authority (CAA) of the Republic of Poland performs the function of national supervisory authority. The CAA President is a decision-making administration body responsible for all civil aviation related matters that are not within the authority of the minister responsible for transport or other governmental administration authorities. The scope of responsibilities is defined in the Polish Aviation Act of 3rd July 2002. The CAA is responsible for all aspects of regulation, including economic/financial and safety issues. The CAA President executes his functions through the CAA being a national budgetary unit. The CAA is institutionally and functionally separated from air navigation services providers. Supervision of the activities of the CAA President is executed by the Minister of Infrastructure and Development.

Institute of Meteorology and Water Management (IMWM) is a research-development unit created on the basis of the decree no. 338/72 issued by the Council of Ministers on 30 December 1972 on merging the State Hydrological and Meteorological Institute with the Institute of Water Management. IMWM operates on the basis of the act dated 30 April 2010 on research institutes. IMWM provides meteorological and hydrological services as the Polish National Hydro-Meteorological Service (NHMS). The Institute is a public entity - separated legally, financially and organizationally from all other public bodies. It belongs to the public finance sector and as such its budget is part of the Budget Bill. However, with regard to financing of IMWM activities related to meteorological services for aviation, these activities are excluded from public financing. The Minister of Environment supervises the IMWM and approves its financial statements. IMWM has been certified in accordance with Regulations No 550/2004 and 1035/2010 as MET service provider. It has been designated as MET services provider for FIS and ACC as well as service provided to SAR flights until 31.12.2019. For services provided in TMAs and CTRs IMWM's designation expires on 31.12.2014. As a consequence, accountability of IMWM in this Plan with regard to cost efficiency is limited to en-route services, covered by its designation.

Polish Air Navigation Services Agency (PANSA) is a statutory state agency and has legal personality. It is supervised by minister responsible for transport (Minister of Infrastructure and Development). PANSA is responsible for air navigation in the Polish airspace and airspace which falls under its responsibility according to international agreements and arrangements (FIR Warszawa). PANSA was established under the Act of 8 December 2006 on the Polish Air Navigation Services Agency (the PANSA Act). PANSA performs in the above metnioned airspace functions of air navigation service provider, airspace management and air traffic flow management. It provides air traffic services and other air navigation services subject to the aerodrome flight information service which can be provided by other entities. PANSA provides coordination of search and rescue operations as statutory services.

Financially, PANSA operates independently. Its income is derived from the revenues of its operations and other revenues coming from interest and the performance of economic activities such as the sale of aeronautical maps. PANSA is compensated by the government for the provision of air navigation services to flights exempted from air navigation charges.
PANSA has been certified in accordance with Regulations No 550/2004 and 1035/2010 as ATC, FIS, CNS and AIS service provider. It has been designated as ATS provider for ACC, FIS, TMAs and CTRs of the 14 Polish airports covered by the scope of PP for RP2.

Mazovian Airport Warszawa-Modlin (MPL Modlin) is an operator of Warszawa/Modlin airport. It has been certified in accordance with Regulations No 550/2004 and 1035/2010 as AFIS service provider. It has been designated as AFIS provider for ATZ of Warszawa/Modlin airport.

Macroeconomic forecasts
Gross Domestic Product

The economy growth for Poland is rather stable and for the RP2 is expected to be recorded very close to the level performed during the RP1. The expected GDP growth for each year of the RP2, based on forecasts from the International Monetary Fund (from October 2013) is presented in table below. For comparison, the table below contains also the GDP's assumptions used for drafting the Polish NPP for the RP1 as well as the actual GDP growth for period 2011-2013 announced by EUROSTAT. The table also contains the GDP's values (actual for 2012 and forecasted for 2013 and further) as officially announced in November 2013 by the Ministry of Finance of the Republic of Poland.

Table: GDP assumptions for Poland for the RP2 and the RP1 and reference values.

Real GDP growth rate (%)	2011	2012	2013	2014 F	2015 F	2016 F	2017 F	2018 F	2019 F
Assumed for the PP purpose for the RP1 – in line with Polish Ministry of Finance forecast for the PP purpose for the RP1 **(F)**	3,5	4,8	4,1	4					
EUROSTAT data[1] **(A)**	4,5	2	1,6						
IMF forecast – April 2014[2]	4,52	1,94	1,55	3,09	3,30	3,35	3,54	3,59	3,62
Assumed for the PP purpose for the RP2	**4,50 A**	**2,00 A**	**1,60 A**	**3,09**	**3,30**	**3,35**	**3,54**	**3,59**	**3,62**
Polish Ministry of Finance forecast – November 2013[3]		1,90 A	1,50 F	2,5	3,8	4,3	4,3	4,1	3,8

1 http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tec00115&plugin=1
2 http://www.imf.org/external/pubs/ft/weo/2014/01/weodata/weorept.aspx?sy=2010&ey=2019&scsm=1&ssd=1&sort=country&ds=.&br=1&c=964&s=NGDP_R%2CNGDP_RPCH%2CPCPI%2CPCPIPCH&grp=0&a=&pr1.x=83&pr1.y=12
3 http://www.mf.gov.pl/documents/764034/1002167/Wytyczne+-+aktualizacja+listopad+2013

Inflation

Inflation assumptions used for drafting the PP for RP2 are consistent with the International Monetary Fund April 2014 forecast. The inflation assumptions have been presented in the table below. For comparison the table presents also the inflation values as officially published in November 2013 by the Ministry of Finance of the Republic of Poland.

Table: Inflation rate assumptions for Poland for the RP2 and the RP1 and reference values.

Inflation rate (%)	2011	2012	2013	2014 F	2015 F	2016 F	2017 F	2018 F	2019 F
Assumed for the PP purpose for the RP1 – in line with IMF forecast for the PP purpose for the RP1 **(F)**	4,05	2,9	2,62	2,5					
EUROSTAT data[1] **(A)**	3,9	3,7	0,8						
IMF forecast – April 2014[2]	4,3 A	3,7	0,90	1,46	2,38	2,50	2,50	2,50	2,50
Assumed for the PP purpose for the RP2	**3,90 A**	**3,70 A**	**0,80 A**	**1,46**	**2,38**	**2,50**	**2,50**	**2,50**	**2,50**
Polish Ministry of Finance forecast – November 2013[3] (F)			1,6	2,4	2,5	2,5	2,5	2,4	2,4

1 http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&language=en&pcode=tec00118&tableSelection=1&footnotes=yes&labeling=labels&plugin=1

2 http://www.imf.org/external/pubs/ft/weo/2014/01/weodata/weorept.aspx?sy=2010&ey=2019&scsm=1&ssd=1&sort=country&ds=.&br=1&c=964&s=NGDP_R%2CNGDP_RPCH%2CPCPI%2CPCPIPCH&grp=0&a=&pr1.x=83&pr1.y=12

3 http://www.mf.gov.pl/documents/764034/1002167/Wytyczne+-+aktualizacja+listopad+2013

Exchange rate

For the calculation and presentation of local targets in the field of costs efficiency Poland uses Polish zloty (PLN). The table below presents exchange rate values used as an assumption for PP for RP2, which are consistent with the EUROSTAT October 2013 forecast (the forecast for the period 2014-2015 has been extended for the purpose of this PP until the end of 2019). The table shows also the assumptions taken into account for the purpose of drafting Polish NPP for the RP1 and the actual ex-rate as published by the EUROSTAT for the period 2009-2013. The table also contains predicted PLN/EUR ex-rate values as officially announced in November 2013 by the Ministry of Finance of the Republic of Poland (till 2017).

Table: Exchange rate assumptions for Poland for the RP2 and the RP1 and reference values.

EUR exchange rate (1 EUR = … PLN)	2009	2010	2011	2012	2013	2014 F	2015 F	2016 F	2017 F	2018 F	2019 F
Assumed for the PP purpose for the RP1	4,32 A	3,99 A	3,95 F	3,80 F	3,80 F	3,80					
EUROSTAT data[1]	4,33 A	3,99 A	4,12 A	4,18 A	4,21 A	**4,18**	**4,18**				
Assumed for the PP purpose for the RP2				4,18 A	4,19 A	4,18	**4,18**	**4,18**	**4,18**	**4,18**	**4,18**
Ministry of Finance (Poland) forecast – November 2013[2]				4,19 A	4,15 F	4,00	3,85	3,70	3,65		

1 http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tec00033&plugin=1

2 http://www.mf.gov.pl/documents/764034/1002167/Wytyczne+-+aktualizacja+listopad+2013

Traffic forecasts

The forecast for the RP1 assumed for Poland the following en-route traffic growth:

	2009 A	2010 A	2011 F	2012 F	2013 F	2014 F
Total ER service units (000)	3.092	3.313	3.587	3.899	4.021	4.161
% change n/(n-1)		*7,13%*	*8,28%*	*8,69%*	*3,13%*	*3,48%*
Number of IFR movements ('000)	566	599	641	687	710	737
% change n/(n-1)		*5,83%*	*7,01%*	*7,18%*	*3,35%*	*3,80%*

Source: STATFOR SUF May 2011, except for 2011 SU figure which is PANSA's forecast from 11.2010

While actual en-route traffic was as below:

	2012	2013
Number of IFR movements	672.073	680.018

Source: PRB dash board

The table below presents en-route traffic measured by IFR movements for RP1 as assumed in performance plan for RP1 and actual.

Number of ER IFR movements ('000) in RP1

	2012	2013	2014
Number of IFR movements ('000) - forecast	687	710	737
Number of IFR movements ('000) - actual	672	680	
% difference	*-2,2%*	*-4,2%*	

Source: for forecast STATFOR SUF May 2011, for actual figures PRB dashboard

It shows lower traffic growth in Poland than assumed in the forecast used for the RP1. The value for 2012 is very close to actual value, but value forecasted for 2013 differs significantly from the actual traffic. Traffic growth in 2013 in Poland was at 6% lower than expected.

For the purpose of current plan, Baltic FAB used forecast prepared by STATFOR in February 2014 (EUROCONTROL seven-year forecast February 2014 Flight Movements and Service Units 2014-2020).

IFR movements (growth)		2013	2014	2015	2016	2017	2018	2019	2020
Poland	H								
	B	692	710	741	774	802	832	864	897
	L								

Source: EUROCONTROL seven-year forecast February 2014 Flight Movements and Service Units 2014-2020

The above mentioned forecast presents different traffic level for 2013 comparing to the data published by PRB on the dash board and data provided by PANSA. The forecasts for 2014 and next years are too optimistic taking into consideration current trends. Poland decided to use baseline forecast since it was used to calculate capacity profiles.

Service unit forecast

The table below presents en-route traffic measured by SU for RP1 as assumed in performance plan for RP1 and actual.

Number of ER SU ('000) in RP1

	2012	2013	2014
Number of SU ('000) - forecast	3.899	4.021	4.161
Number of SU ('000) - actual	3.854	3.984	
% difference	*-1,10%*	*-0,90%*	

Source: for forecast STATFOR SUF May 2011, for actual figures PRB dashboard

The two tables below present forecasts of service units for both, en-route (SU) and terminal (SU-L) traffic for RP2. In both cases the STATFOR base-case forecast assumes steady growth in traffic.

Table: Forecast of ER SU ('000) for RP2

ER SU Forecast (000)	2013	2014	2015	2016	2017	2018	2019	*2019 vs. 2014 (p.a.)*
Poland	3.984	4.173	4.363	4.544	4.699	4.861	5.039	
% change n/(n-1)		*4,70%*	*4,60%*	*4,20%*	*3,40%*	*3,40%*	*3,70%*	*3,80%*

Source: STATFOR EUROCONTROL 7-Year IFR Flight Movements and Sertvice units Forecast 2014-2020 02/2014, base case scenario

Table: Forecast of terminal SU-L ('000) for RP2

SU-L Forecast (000)	2013	2014	2015	2016	2017	2018	2019	*2019 vs. 2014 (p.a.)*
Poland	149	150	160	170	181	193	204	
% change n/(n-1)		*0,90%*	*6,40%*	*6,20%*	*6,80%*	*6,30%*	*5,90%*	*6,30%*

Source: STATFOR EUROCONTROL 7-Year IFR Flight Movements and Sertvice units Forecast 2014-2020 02/2014, base case scenario

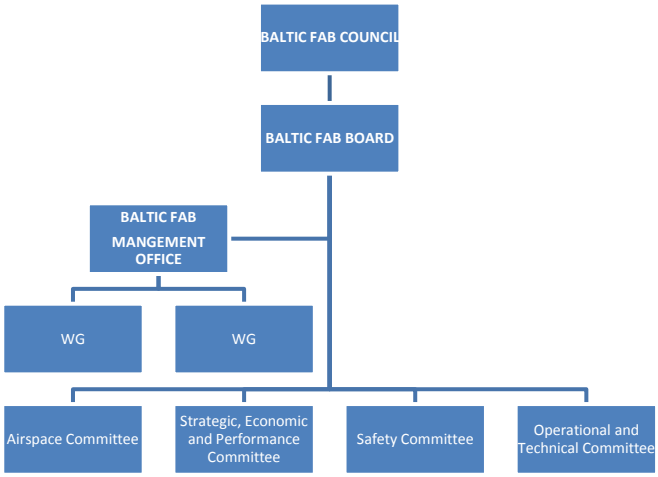
For the purpose of PP for RP2 for cost-efficiency area the base-case scenario of traffic was assumed. Experience over the past years with ER traffic shows that these scenario so far has been the one that best reflects actual traffic evolution in Poland. For terminal traffic the same scenario was assumed in order to ensure consistency of data.

Description of Baltic FAB structure, NSA/ CAA/ ANSP (PANSA ACT) institutional context, traffic record and forecast, comparison with RP1 PP

As far as institutional context for ANS provision is concerned PANSA was not a subject of any changes in governance, arrangements, ownership.
Baltic FAB management structure:

- Baltic FAB Council
  Task - to oversee and provide strategic direction to Baltic FAB
  Representatives from MoTs, Defence and Foreign Affairs, CEOs of ANSPs, NSAs
- Baltic FAB Board
  Task - to oversee routine management and development of FAB

- NSA Committee
- Baltic FAB Committees:
  Safety Committee
  Airspace Committee
  Strategic, Economic and Performance Committee
  Operational and Technical Committee
- Baltic FAB Management Office
  Responsible for day-to-day management, coordination of FAB initiatives and projects, Working Groups and Task Forces, coordinates work and manages cooperation between NSAs, ANSPs.



LITHUANIA

The external environment of Lithuania's economy has deteriorated with the conflict between Russia and Ukraine. Still, the effects of weaker economic growth in Russia on economic activity in Lithuania are expected to be minor. Closer economic ties with Russia exist in the country's transport sector. Unlike the transport sector, the dependence of Lithuania's industrial undertakings on changes in Russia's economic development is relatively low.
The weakening outlook for the Eastern European trade partners is partly offset by the recovering economic growth in EU Member States. Economic growth is mostly driven by domestic demand. Although certain confidence indicators have worsened slightly, the effects of changes in the external environment on private consumption or investment can still hardly be seen.
The worse-than- expected developments in Lithuania's exports and their weaker outlook have led to a more cautious assessment of the prospects of the growth of the entire economy. Real GDP is projected to increase by 3.3% in 2014 (compared to the previous forecast of 3.6%) and by another 3.6% in 2015 (previous forecast — 3.8%). Although growth projections have been revised down, economic activity is expected to continue growing steadily. Domestic demand should continue its gradual expansion, driven by income developments. Net exports are projected to be weaker than expected, which, however, will not produce any substantial adverse effects on economic growth.
Inflation remains low and its forecasts are stable. The average annual inflation rate is expected to reach 0.9% in 2014 before increasing to 1.5% next year. The growth in unit labour costs, which picked up somewhat more in 2013 due to the increase in the minimum wage, should slightly slow down; therefore, the rate of underlying inflation, as the component of inflation that is more dependent on domestic economic factors, will not grow substantially, either.
Source: the Bank of Lithuania, Economic Outlook for Lithuania, May, 2014.

Lithuania will most probably introduce Euro from 1 January 2015. The European Commission and the European Central Bank both gave their approval for Lithuania to become the 19th member of the euro zone on 1 January 2015. The decision must be ratified by EU member governments, which is expected in late July 2014. National currency LTL is fixed to EUR in the rate of 1 EUR=3,4528 LTL since 2002.

Subject	2012	2013	2014	2015	2016	2017	2018	2019
GDP, %	3.659	3.251	3.306	3.454	3.604	3.664	3.774	3.760
Inflation, %	3.167	1.162	0.965	1.762	1.965	2.197	2.234	2.234
Unemployment rate, %	13.365	11.766	10.800	10.500	10.500	10.500	10.500	10.500

http://www.imf.org/external/pubs/ft/weo/2014/01/weodata/weorept.aspx?sy=2013&ey=2019&scsm=1&ssd=1&sort=country&ds=.&br=1&c=946&s=NGDP_RPCH%2CPCPIPCH%2CLUR&grp=0&a=&pr.x=54&pr.y=7

The table above presents the latest IMF forecasts for GDP (%), inflation (%) and unemployment rate (%), the table below - local available data produced by the Ministry of Finance and data of the actual and forecasted traffic.

Subject /Year	2012	2013	2014	2015	2016	2017	2018	2019	2019/ 2014
INFLATION									
Forecast (RP1)	3.3	2.24	2.48						
Latest forecast (MoF)			1.0	2.0	2.5	2.9			
Actual	3.2	1.2							
GDP									
Forecast (RP1)	4.7	3.7	3.4						
Latest forecast (MoF)			3.4	4.3	4.0	4.3			
Actual	3.6	3.3							
TRAFFIC (TSU*1000)									
En route (base case)									
Forecast (RP1)	431.9	448.7	467.1						
Latest forecast			464.8	490.9	515	532	549	567	3.7%
Actual	429.6	450.6							
Terminal (low case)									
Latest forecast	17.5	18.5	22.5	23.9	24.6	25.6	26.6	27.7	4.2%
Actual	19.5	21.3							
IFR MOVEMENTS (*1000) forecast									
high			263	280	298	313	330	348	5.8%
base	236	242	258	271	281	289	299	308	3.6%
low			254	262	265	269	273	277	1.8%

Source: National plan RP1, Monitoring Reports 2012-2013, Ministry of Finance (April, 2014); STATFOR/NM (Intermediate Forecast of En-Route Service Units: 2014-2015, May, 2014; 7-year IFR Flight Movements and service Units Forecast: 2014-2020, February,2014)

For Lithuania, the same accountable entities remain for RP1 and RP2 (CAA/NSA and certified ANSPs: Oro Navigacija, LHMT). No major changes in governance or structure were known or such data available while drafting and submitting the Baltic FAB PP.

1.3 - Stakeholder consultation

Number of Meetings	3

Meeting #1	
Name of meeting	Stakeholder consultation on national targets, Lithuania
Date	17 April 2014
Type of event	meeting and written procedure by correspondence
Level	National
Stakeholders	All
Deadline for responses	18 April 2014
Main issues	1. Necessity of financial type incentives in capacity KPA while expecting no delays in RP2 taking into account increasing traffic and that no delays have been ever generated. 2. Necessity of investments for CPDLC Controller–pilot data link as Lithuania is in line with increasing capacity demand and many aicraft crossing Lithuanian airspace are those of the third countries without such device on board. Finally, the costs of investments would not be equal to the final benefits gained. 3. Staff costs of Oro Navigacija should not further increase and be kept flat for the whole RP2. 4. Separation of the single terminal charging zone. 5. Depreciation terms of investments of LHMT related with MET services have to be revised.
Actions agreed upon	1. NSA forwarded this issue to PRB/EC before consultation. Following conclusion in respect of incentives was done in the NCP Performance WG meeting held in May: financial incentives have to be established due to the obligatory requirement of Performance regulation despite the good performance in capacity and traffic evolution. 2. If the MoT would endorsed delay of this implementation till the end of RP2-beginning RP3 as majority of airspace users would have expressed their will in such postponement, the state would apply to the EC for CPDLC implementation postponment. 3. Staff costs of Oro Navigacija will remain at the same level as it was presented in the tables and presentations. 4. This issue was forwarded for the consideration of the MoT. Separation of the single TCZ was postponed. 5. LHMT will revise depreciations costs and submit new data by 22 April.
Points of disagreement and reasons	
Additional comments	All issues've been raised and questions asked by IATA representatives. The minutes of consultation enclosed in Annex A.

Meeting #2	
Name of meeting	Polish consultation on ANS costs and charges
Date	14 May 2014
Type of event	Meeting
Level	National
Stakeholders	Airspace users representatives
Deadline for responses	14 May 2014

Main issues	1. Users requested further information on organization of public tender for MET services for RP2. 2. Users requested further cost-efficiency as concerns terminal MET services. 3. Users requested further explanation on change in allocation of PANSA costs between ER and TNC. 4. Users requested further information on use of overrecovery of CAA costs in 2013 by the state budget and possibility to use those funds to offset cost increase in RP2. 5. Users requested further explanation on consequence of lower actual 2013 costs for the CAA for execution of CAA tasks as well as more detailed information on main items of costs where those differences occurred. 6. Users suggested pooling of NSA resources within the FAB. 7. With regard to EUROCONTROL costs, one of ANSPs asked for explanation of possibility to influence these costs. 8. Users requested that costs related to unrealized investments (in AWOS systems – MET – as well as with regard to PANSA investment plan) should be returned to users. 9. As the figures concerning MET costs were preliminary and subject to change, users requested additional consultation in this regards. 10. Users requested further explanation on PANSA staff costs and ATCOs numbers, indicating that information presented does not justify increase in costs and does not allow for informed judgement of these costs. 11. Users requested additional information on reasons for increase in other operating costs of PANSA. 12. Users indicated that starting point for RP2 planning should be actual level of costs in RP1 and not determined costs from 2014 from NPP for RP1. 13. Users requested explanation about significant increase of PANSA's planned costs for 2015 compared to actual costs for 2013.
	14. Users requested further explanations and more detailed information on PANSA CAPEX, especially showing what was planned for RP1 and was not realized and as a consequence shifted to RP2. 15. Users requested that ASAR should be financed from state budget and not navigation charges. 16. Users requested extension of depreciation periods at PANSA for investments planned for RP2. 17. Users requested CBAs for certain PANSA projects, including ATC Training and Contingency Center as well as remote towers. 18. Users requested information on non-navigation revenues from flights performed by PANSA's aircraft (flight inspections services) for airports and military entities and indicated on the necessity of consider the purchase of flight inspections services instead of purchasing the new aircraft. 19. Users requested explanation why, despite expiry of despite lack of double licensed of the TWR controllers (provision of TWR and APP services) the APP services can be further ensured by TWR controllers in various locations. 20. Users requested change in presentation of PANSA non-navigation revenues that are deducted from determined costs. 21. Users requested verification of the PANSA investment plan by limiting the items only to those necessary to be implemented from legal perspective and by matching the plan to actual PANSA's ability to realize it. 22. Users requested lowering the cost of capital of PANSA, especially for 2015-2016 to realistic values; in their opinion RoE should account for ca. 3,6%. 23. Following many remarks, users requested additional round of consultation on PANSA and MET costs before the plan is submitted to the Ministry for approval. 24. For TNC users indicated that they expect site-specific charging zones instead of a single terminal charging zone or if not possible at least moving from one to two charging zones.

Actions agreed upon	1. The CAA explained legal reasons for organization of the public tender by PANSA. Currently PANSA is in the process of preparation of the tender. 2. The issue was once more analysed by the CAA after the meeting, however, due to the need of investments into new AWOS systems possibility to further reduce costs of terminal MET services in RP2 are limited. 3. Information on reasons for the change as well as its financial dimension (amount of costs to be shifted between ER and TNC) was presented during the meeting. It was also explained that for the purpose of establishing local targets for RP2 the starting point – year 2014 – was adjusted to be based on the same cost-allocation methodology as costs for RP2 to ensure comparability and continuity of data. 4. It was agreed during the meeting that these issues should be addressed to the Ministry of Finance as neither CAA nor Ministry of Infrastructure and Development can address the issue of use of the financial balance. IATA informed that it will consider a letter to the MoF. It was also explained by the CAA that cost forecast for RP2 is based on quite conservative assumptions in order to limit possibility of similar situation in years of R2. 5. Explanation of the consequences was provided orally during the meeting. Further details of the differences were sent by the CAA to the users by email dated 26.05.2014. 6. It was explained that due to the fact that currently both, PL and LT CAAs are underfunded and have limited resources, possibilities of pooling them within the FAB are very limited. 7. CAA explained that possibilities of influencing EUROCONTROL contribution by PL are very limited. The explanation was in line with information contained in the PL NSA report on costs exempt from cost-sharing in 2012 and 2013. 8. The issue can be addressed once there in a pan-EU guidance from the EC (see “points of disagreement” below).
	9. During the meeting it was agreed that once the final data for MET costs are available, the CAA will distribute to the users updated material for second round of consultation before submitting the plan to the Ministry of Infrastructure and Development for approval. However, due to late receipt of required information and the obligation for the CAA to send the performance plan for approval to the Ministry by a set date (already prolonged due to the need to update costs of PANSA and IMWM following consultation process) it was not possible to carry out these consultations before the plan was submitted for approval. The CAA sent the updated data concerning MET costs to users by email simultaneously with submitting it to the Ministry. 10. Further information on ATCOs and staff costs was sent by PANSA to users by email dated 29.05.2014. 11. Within other operating costs the increase comes mainly from increase in external services, cost materials and energy. 12. For the purpose of cost-planning also the actual figures were taken into account. This is visible when comparing cost by nature – this comparison shows that for some items 2015D numbers are lower than 2014D. 13. During the meeting PANSA explained that main reason of costs increase are necessary and justified investments. 14. Further information on CAPEX was sent by PANSA to users by email dated 29.05.2014. 15. See “points of disagreement” below. 16. After the meeting, depreciation periods were again analysed. The analysis showed that they are in line with IFRS rules and EUROCONTROL Principles and therefore fully justified. Explanation in this regard was sent by PANSA to users by email dated 29.05.2014. 17. Further information on CBAs for certain projects was sent by PANSA to users by email dated 29.05.2014. 18. Further information on alternative solution to the planned purchase of the Flight inspection aircraft was sent by PANSA to users by email dated 29.05.2014.

	19. Further information on double licensed of the TWR controllers was sent by PANSA to users by email dated 29.05.2014. 20. The method of presentation currently applied by PANSA with regard to non-navigation revenues has been consequently applied since 2008, following guidance from the CRCO during assessment of PANSA cost base. The method takes into account limitation of PANSA accounting and financial reporting system. IATA indicated that it will consider taking this issue to the CRCO for discussion. 21. Following the meeting, the CAA again analysed the cost base for RP2 and following this analysis, sent revised proposal of PANSA costs to users on 28th May – the revision of costs covered depreciation and asset base for calculation of cost of capital. The revised data for RP2 were based on assumption of execution of the investment plan of PANSA at the level of 85%. As a consequence, depreciation presented in the final plan is lower. This change reflects among others also concerns of users about PANSA ability to fully realize the plan. 22. With regard to cost of capital (RoE) for 2015-2016 in the material sent to users on 28th May (see point 21 above) the RoE was lowered. The revised figures were based on assumed lower risk-free rate (instead of 4,42% used before, 4,03% which reflects average interest on bonds in 2013) and modified asset beta (0,4 instead of previously used 0,5015). As a consequence, the cost of capital is lower than presented during the consultation. This takes into account remarks presented by users. 23. Revised PANSA cost base was sent to users on 28 May (see point 21-22 above). Up to the day of submitting cost-efficiency part of this plan for approval (9 June 2014) no additional comments/remarks from users were received. For MET costs see point 9 above. 24. Following users' remarks, it is proposed to modify the configuration of the zones starting from 2017, while maintain for 2015 and 2016 a single terminal charging zone. This solution will allow all interested parties to take necessary measures to limit any negative impact of changes in the UR and prepare themselves for the change and at the same time will address concerns of users regarding cross-subsidization still within RP2. Any possible further increase in numbers of charging zones (more than 2) can take place only once all actual consequences of moving from one to two zones are analysed.
Points of disagreement and reasons	With regard to returning money collected in RP1 related to costs of unrealized investments, as the issue relates to all states and all ANSPs it is important that any solution in this regard has a pan-EU range and is in the same manner applied by all states. It also has to respect the legal provisions with regard to ANS charges. As a consequence the issue requires written guidelines from the EC, including also legal basis for any adjustment of the costs before any decisions in this respect can be taken. For updated MET costs see point 9 in the line above. As concerns ASAR financing, any possible change to the current system where cost of ASAR is included in ER cost base requires changes in national legislation which cannot take place before submission of the performance plan. The issue of possible changes is currently analysed by the Ministry of Infrastructure and Development. Users will be informed about any further decisions taken in this regard. However, as long as there is no change to the current national legislation concerning ASAR, financing of ASAR through ER charges is in line with EU and EUROCONTROL rules.
Additional comments	

Meeting #3	
Name of meeting	Baltic FAB Consultation
Date	15 May 2014
Type of event	Meeting
Level	FAB
Stakeholders	All international, Lithuanian and Polish stakeholders
Deadline for responses	16 May 2014

Main issues	1. IATA requested information concerning states and ANSPs contribution for safety targets. 2. IATA questioned the symmetric layout of PANSA and fact that Baltic FAB proposed two separate incentive schemes for PANSA and ON. 3. AEA representative asked about potential activities of ANSP, like re-routing to avoid penalties within capacity area. He stated that some airlines were redirected to another ANSP due to ATFM capacity limitation. 4. PANSA Trade Union representative asked about the vertical split of sectors impact on CDA and ATC workload. In their opinion an average horizontal en route flight efficiency of the actual trajectory will not change significantly even with FRA implementation. For the last years the reduction of delays was achieved for Polish ATCOs were constantly working at or even above of personal abilities. 5. IATA – If Baltic FAB does not achieve reference value for environment someone else will have to achieve more. Everyone has to have adequate input. What is base for your calculation and presented outcome (final value) if data provided by Network Manager are made doubtful. IATA requested the information concerning vertical fligh efficiency indicators. 6. IATA asked how implementation of Free Route Airspace in Baltic FAB is coordinated with other FABs? 7. IATA indicated that as voiced during meeting on ANS costs and charges that took place on 14 May (see above) they have doubts and remarks as concerns evolution of ANS cost in PL over RP2, especially as compared to actual 2013 figures. IATA indicated that starting point for RP2 cost planning should not be 2014D but actual data. In IATA's opinion the presented target is not adequate to actual cost evolution and is not ambitious enough. IATA especially indicated at too high, in their opinion, cost of capital for PANSA and doubts concerning PANSA ability to carry out proposed huge investment plan, especially taking into account the level of its execution in previous years.
	8. For TNC IATA indicated that it expects site-specific charging zones instead of a single terminal charging zone. 9. As regards MET costs IATA indicated that it expects more clarity on these costs. 10. Representative of Warmia-Mazury airport asked for explanation how new airports, including Szymany airport, can be included in the performance plan. 11. AEA supported comments of IATA concerning PANSA's costs and indicated that PANSA and PL should closely analyse situation of ON and LT cost-planning to improve cost-efficiency as in their opinion LT is much better in this respect. 12. PANSA Trade Union representative asked about the expected level of nominal unit rate over RP2. 13. Lufthansa representative indicated that provision of ANS during night hours at Modlin Airport by AFIS provider could be example for other airports with low traffic that could positively impact cost efficiency in terminal services. 14. Representative of Poznań airport asked how cost of AWOS purchased by airport operator are taken into account in determined costs for RP2. 15. Representative of one of airport operators in Poland indicated that the performance plan allocates 100% of AWOS costs to ER services and asked for explanation. 16. Representative of IBCOL made a remark that allocation of AWOS costs under WMO guidance should be 25% ER and 75% TNC. Representative of IBCOL indicated that allocation of MET costs between ER and TNC is not described in draft of Baltic FAB PP for RP2. 17. PANSA Trade Union representative asked PANSA how it will manage its costs taking into account the need to reduce the DUC by 3,3% p.a. 18. IATA asked for further explanation as concerns FAB results, especially taking into account the CBA and possible cost savings described in the Feasibility Study. In IATA's opinion these benefits are not reflected in the performance plan. IATA demanded information on benefit tracking and actual results of FAB project.

	There were also written comments received by PL CAA from stakeholders: a) questions from IBCOL concerning MET and allocation of MET costs, b) questions from Poznań and Bydgoszcz airport operators concerning allocation of AWOS systems to ER cost base, c) comments from Polish Regional Airports Association concerning: a. need to maintain a single terminal charging zone covering all airports in Poland, b. need to lower terminal and en-route unit rate in line with increasing traffic, c. relatively high level of terminal UR, d. need for a realistic investment plan and its impact on depreciation cost – there were doubts voiced concerning ability to carry out the plan; d) remarks from Air Traffic Controllers Trade Union concerning: a. Poland being one of the cheapest countries in Europe and the need to further reduce the DUC, b. difficulties faced by PANSA stemming from the need to apply state budget limitations to remuneration of PANSA staff, c. difficulties in carrying out investments plan due to public procurement law and indolence of PANSA management; e) remark from Radom airport concerning necessity to include in the plan investments into terminal navigation infrastructure at this airport in RP2.
Actions agreed upon	1. The requested information was disseminated on 19/ 20 May to all participants by e-mail with the deadline for comments set by 23 May 2014. 2. The capacity, financial incentive scheme for PANSA was slightly changed to enlarge the dead band on the bonus part of the scheme. PANSA and ON have completely different record on en-route ATFM delay. ON doesn't have any delays while PANSA with all the improvements from 2011 still is considered as a bottle neck of ATM network. Therefore it was impossible to create common single incentive scheme for both ANSPs. 3. Warsaw ACC experienced several FDPS problems, the latest of which was FDPS failure on 10 July 2013. Immediate ATFCM measures were put in place. Further analysis of the problem revealed that the system was unable to process flight plans above certain parameters. On 24 July 2013 PANSA requested that NM develop operational procedures to ensure that the capacity limits of the FDPS be protected by limiting the number of active flight plans. A temporary operational procedure was put in place to limit the number of flight plans being processed by the Warsaw FDPS system. This was achieved by re-routing traffic out of Polish airspace where an excess of demand is expected. It has been agreed that the preferred technique is to reduce traffic demand at the pre-tactical stage by use of mandatory ATFCM re-routing scenarios and the fine tune using tactical measures. So, the problems were not involved directly with PANSA capacity target and incentives but with failure of the system. The only solution for such re-routing is improvement of ATFM capacity by splitting vertically the sectors in FIR Warsaw. The targets set for Baltic FAB and declared PANSA contribution are ambitious enough to ensure better performance.

	4. Continuous Descent Approach will be conducted in lower part of the sectors so no impact is envisaged. There are contrary information provided by PANSA concerning ATCO recruitment policy. IAW current capacity plan included into LSSIP Poland 2013 the number of ATCO will be reduced in 2014 and then maintained. At the same time PANSA declare annual increase of ATCO numbers during RP2 by 10. Polish CAA sent official letter to PANSA requesting the official statement on aforementioned subject. 5. Polish and Lithuanian CAA will propose new Baltic FAB horizontal flight efficiency targets in Environment KPA, taking into consideration NM calculation and new data available. The targets will be presented to Baltic FAB Board for approval. Analysis of PANSA's airspace network operation indicates that the opportunity for further reducing routes extension is limited. Therefore, in order to reap tangible benefits in the KPA Environment, PANSA shall focus on other efficiency-driven activities comprising particularly improvements in vertical flight profiles. In this regard, PANSA's intention is to promote and foster Continuous Descent Operations at those airports where CDOs are already performed (Warsaw, Kraków, Katowice, Gdańsk, Poznań, Wrocław). PANSA intends to increase the volume of the Continuous Descent Operations by approximately 7% annually, which will translate directly into the significant reduction of the CO2 emissions. A fuel burn savings due to the application of the CDO ranges, according to EUROCONTROL estimations, from 50 to 150 Kgs per flight depending on the aircraft type while noise can be reduced up to 5 dg (sel) per aircraft. Also, in medium-term perspective, PANSA will seek to phase in Continuous Climb Operations (CCO) at major Polish airports. This will fall within wider context of TMA/Approach airspace reorganization and optimization with the overriding aim of more efficient flight profile. To this end, work is underway on the project to optimize SID/STAR procedures. 6. The development of DCTs and FRA Like/FRA beyond Baltic FAB, i.e. the concepts' expansion to the airspaces covering the entire area of the following functional airspace blocks: Baltic FAB, FAB CE and FAB Danube. This will be done by PANSA and ON under umbrella of Gate One, a strategic alliance comprising ANSPs of eleven countries from Central and Eastern Europe.
	7. The CAA explained that it will again analyse the cost base for RP2 and will send updated data to the users as agreed on 14th May. Following this analysis, revised proposal of PANSA costs was sent to users by email on 28th May – the revision of costs covered depreciation and cost of capital. For 2015-2016 the revised data were based on lower RoE and assumption of execution of the investment plan at the level of 85% what impacted depreciation cost and asset base for calculation of cost of capital (see also table Meeting #2 above). 8. Following users' remarks, it is proposed to maintain for 2015 and 2016 a single terminal charging zone and modify the configuration of the zones starting from 2017. This solution will allow all interested parties to take necessary measures to limit any negative impact of changes in the UR and at the same time will address concerns of users regarding cross-subsidization. Any possible further increase in numbers of charging zones (more than 2) can take place only once all actual consequences of moving from one to two zones are analysed. 9. For MET costs see table Meeting #2 above, point 9. 10. The CAA explained that the scope of entities and airports covered by the performance plan is determined by article 1 .2 of the EC Regulation No 390/2013. As a consequence, only these airports where there is a designated ATS provider can be covered by the plan. Currently with regard to Szymany airport there is no designated ANS provider, therefore it was not possible to cover ANS services at this airport by the plan. To address the issue that during RP2 new airports will be opened not covered by the plan, the CAA prepared amendment to the Polish Aviation Act that will enable financing ANS at airports excluded from the scope of the plan. 11. See point 7 above. 12. The CAA explained that the target is DUR, not UR, and explained differences between these two. Due to other than determined costs elements influencing the chargeable UR it in not possible to give exact number – the number will be provided each year taking into account adjustments stemming from regulations like eg. inflation. The nominal UR may decrease slightly but should not be much different from the UR from previous years, especially the actual 2013 figure.

	13. The possibility for airports to provide their own service, including AFIS, has been communicated to the airport operators by PL CAA since 2008. However, the CAA has no capacity to force any entity to decide to provide ANS services and to certify itself for that purpose. From the legal perspective any entity that fulfils common requirements for ANS can apply for a certificate and provide these services. 14. The CAA explained that the performance plan aims at taking into account the total figure of costs of information from AWOS systems, no matter who is or will be the owner of the systems. These costs can represent either cost of AWOS itself or cost of purchasing information from AWOS if other institution is owner of the system. 15. The CAA explained that cost of AWOS is allocated between ER and TNC and that only for the purpose of presentation of the total value of the investment (CAPEX and credit) it is described under ER costs – but thatit does not mean that the cost is fully allocated to ER. AWOS costs are allocated to MET products and only then to ER or TNC depending on allocation of each of the products in accordance with WMO guidance. The IMWM explained that up to date the allocation is about 45%/55%. 16. The CAA indicated that detailed explanation of allocation of MET costs is described in the additional information to reporting tables and for RP2 so far remained unchanged as compared to RP1 and before and follows WMO guidance. 17. The CAA explained that the cost forecast for RP2, except for cost of capital that is regulated profit, is based on information provided by PANSA. PANSA explained that further information is included in the plan. CAA also added that the DUC is expressed in real terms – it does not represent the evolution of nominal costs.
	18. FAB Management Office representative explained that currently there are discussions with Commission concerning FAB Implementation Programme. He also indicated that the Feasibility Study presented benefits that are not equal to savings and the result is not directly related to UR – these benefits include eg. delays. Once the Implementation Programme is agreed it will be possible to present further details to the users. It was underlined that the European Commission will demand reports on benefits in order to monitor implementation of FABs. t was underlined that the European Commission will demand reports on benefits in order to monitor implementation of FABs. Responding to written comment received: a) with regard to the questions extensive additional explanation was provided to IBCOL on MET costs planned for RP2 by email on 13th May , b) for MET cost allocation it was explained – in writing (14th May) and also during the consultation meeting on 15 May – that these costs are allocated between ER and TNC (see point 14 and 15 above),
	c) with regard to comments from Polish Regional Airports Association: a. it is proposed to maintain for 2015 and 2016 a single terminal charging zone and modify the configuration of the zones starting from 2017 (see point 8 above), b. with increasing traffic, the DUC is expected to fall, both with regard to ER and TNC, c. the terminal nominal unit cost should fall over RP2, d. with regard to PANSA the cost of investment (depreciation and cost of capital) for RP2 has been further reduced after the consultation process and currently is based on an assumption that the investment plan in RP2 will be carried out at the level of 85%; d) with regard to remarks from Air Traffic Controllers Trade Union: a. it is right that Poland has one of the lowest UR, however, the UR is based on costs - there is a need to reflect in the cost base for next year justified and realistic cost values in order to limit any possible overrecovery and balance interest of ANSPs and their clients, b. the issue of applying state budget rules cannot be addressed by the performance plan – any change to the current situation requires changes in national legal provisions, c. the plan takes into account requirements for necessary investments for RP2, however, at the same time assuming realistic assumptions as concerns ability of execution of the plan; e) with regard to Radom remark the request has been forwarded by the CAA to PANSA. However, it has to be noted that within the total level of determined costs PANSA meeting cost-efficiency targets, has flexibility to decide about use of the funds, also with regard to actual investments.
Points of disagreement and reasons	
Additional comments	

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

Number of Actions	9

Oro navigacija, FRA-Vilnius FIR	2015	2016	2017	2018	2019
Planned date of entry into operation	November/ December				
Description	1) Analysis of the actual and predicted traffic in terms of its orientation and density within Vilnius FIR utilizing existing route structure; 2) Analysis of the airspace utilization and necessity to re-design airspace structure to meet the needs of the predicted FRA oriented traffic flows, 3) Assessment of the identified/required and further planned changes in controller working environment				
Reference to NSP and evidence of compliance					
Contribution to reaching the performance targets					
Additional comments	Due to the existing route structure and quite stable traffic orientation and the density of the traffic flows, FRA within Vilnius FIR is considered mainly as pre-requisite for the cross-border FRA implementation within Baltic FAB in 2017/2018, once the new ATC system supporting floating COPs for OLDI is deployed.				

Oro navigacija, FRA-BALTIC FAB	2015	2016	2017	2018	2019
Planned date of entry into operation			December	January	
Description	1) Validation of the predicted traffic in terms of its orientation and density within Baltic FAB in FRA environment; 2) Analysis of the airspace utilization, necessity of its re-design (if impact identified) to meet the needs of the predicted FRA oriented traffic flows within FAB, 3) Fast Time Simulations to validate the necessary changes in airspace and Real Time Simulations to assess the required & planned changes in controller working environment (including OLDI-related procedures supporting floating COPs)				
Reference to NSP and evidence of compliance					
Contribution to reaching the performance targets					
Additional comments					

PANSA, FRA-BALTIC FAB	2015	2016	2017	2018	2019
Planned date of entry into operation			JUN		
Description	1. Route network optimization 2. Free Route Airspace				
Reference to NSP and evidence of compliance	SO3: Implement a de-fragmented and flexible airspace enabling Free Routes SO4:Plan optimum capacity and flight efficiency				
Contribution to reaching the performance targets	Safety - Medium Capacity - High Environment –High Cost efficiency - High				
Additional comments	AOM-0205: Modular Temporary Airspace Structures and Reserved Areas AOM-0401: Multiple Roue Options&Airspace Organisation Scenarios AOM-0402: Cross-Border Sectorisation and Further Routeing Options AOM-0504: Optimum Trajectories in Defined Airspaces at Particular Times AOM-0801: Flexible Sectorisation Management AOM-0802: Modular Sectorisation ADAPTED TO Varations in Traffic Flows				

PANSA, FUA-BALTIC FAB	2015	2016	2017	2018	2019
Planned date of entry into operation				SEP 2018	
Description	ASM/ ATFCM cooperation within Baltic FAB				
Reference to NSP and evidence of compliance	SO3: Implement a de-fragmented and flexible airspace enabling Free Routes SO4:Plan optimum capacity and flight efficiency SO5: Facilitate business trajectories by cooperative traffic management				

Contribution to reaching the performance targets	Safety - Medium Capacity - High Environment –High Cost efficiency - High
Additional comments	AOM-0201: Moving Airspace Management Into Day of Operation AOM-0202: Enhanced Real-time Civil-Military Coordination of Airspace Utilisation AOM-0205: Modular Temporary Airspace Structures and Reserved Areas AOM-0401: Multiple Roue Options&Airspace Organisation Scenarios DCB-0203: Enhanced ASM/ATFCM Coordinated Process

PANSA, A-CDM-BALTIC FAB	**2015**	**2016**	**2017**	**2018**	**2019**
Planned date of entry into operation		DEC			
Description	CDO/CCO Application A-CDM				
Reference to NSP and evidence of compliance	SO6: Integrate airport and network operations				
Contribution to reaching the performance targets	Safety - Medium Capacity - High Environment –High Cost efficiency - High				
Additional comments	AOM-0703: Continuous Climb Departure AO-0501: Improved Operations in Adverse Conditions through Airport Collaborative Decision Making				

PANSA, DCB-BALTIC FAB	**2015**	**2016**	**2017**	**2018**	**2019**
Planned date of entry into operation	JAN				
Description	Demand Capacity Balancing A-CDM				
Reference to NSP and evidence of compliance	SO4:Plan optimum capacity and flight efficiency SO5: Facilitate business trajectories by cooperative traffic management SO9: Develop the network human capital and improve its flexibility				
Contribution to reaching the performance targets	Safety - Medium Capacity - High Environment –High Cost efficiency - Medium				
Additional comments	DCB-0205: Short-term ATFCM Measures				

PANSA, AGDL-BALTIC FAB	**2015**	**2016**	**2017**	**2018**	**2019**
Planned date of entry into operation	FEB				
Description	Air-Ground Data-link (AGDL) implementation				
Reference to NSP and evidence of compliance	SO4:Plan optimum capacity and flight efficiency				
Contribution to reaching the performance targets	Safety - Medium Capacity - High Environment –High Cost efficiency - Medium				
Additional comments	AUO-0301: Voice Controller-Pilot Communications (En Route) Complemented by Data Link				

PANSA,Sectorization-BALTIC FAB	**2015**	**2016**	**2017**	**2018**	**2019**
Planned date of entry into operation	FEB				
Description	Vertical split deployment				
Reference to NSP and evidence of compliance	SO4:Plan optimum capacity and flight efficiency				
Contribution to reaching the performance targets	Safety - Medium Capacity - High Environment –Medium Cost efficiency - Medium				
Additional comments					

PANSA,ATM system-BALTIC FAB	2015	2016	2017	2018	2019
Planned date of entry into operation	OCT				
Description	Convergence of ATM systems and cross-border service provision Major modernization of the ATM system (ultimately iTEC platform)				
Reference to NSP and evidence of compliance	SO4:Plan optimum capacity and flight efficiency				
Contribution to reaching the performance targets	Safety - Medium Capacity - High Environment –Medium Cost efficiency - Medium				
Additional comments					

1.5 - List of airports for RP2

List of airports submitted to the Performance and Charging Regulations						
Number of airports	18					
ICAO code	**Airport name**	**State**	**IFR air transport movements**			
			2011	**2012**	**2013**	**Average**
EPBY	BYDGOSZCZ/SZWEREDOWO	Poland	4.298	4.903	5.027	4.743
EPGD	GDANSK/LECH WALESA	Poland	30.922	37.276	32.947	33.715
EPKK	KRAKOW/BALICE	Poland	34.288	40.683	40.851	38.607
EPKT	KATOWICE/PYRZOWICE	Poland	27.178	27.181	25.184	26.514
EPLB	LUBLIN	Poland	0	48	1.674	861
EPLL	LODZ/LUBLINEK	Poland	4.046	5.357	4.117	4.507
EPMO	WARSZAWA/MODLIN	Poland	0	6.721	2.753	4.737
EPPO	POZNAN/LAWICA	Poland	20.826	22.902	17.822	20.517
EPRA	RADOM-SADKÓW	Poland	327	378	639	448
EPRZ	RZESZOW/JASIONKA	Poland	7.283	7.733	8.432	7.816
EPSC	SZCZECIN/GOLENIOW	Poland	4.280	6.046	4.441	4.922
EPWA	WARSAW CHOPIN AIRPORT	Poland	140.721	138.205	142.063	140.330
EPWR	WROCLAW/STRACHOWICE	Poland	23.845	26.482	23.733	24.687
EPZG	ZIELONA GORA/BABIMOST	Poland	655	842	937	811
EYKA	KAUNAS/INTERNATIONAL	Lithuania	8.767	8.242	6.852	7.954
EYPA	PALANGA/INTERNATIONAL	Lithuania	2.666	2.699	2.519	2.628
EYSA	SIAULIAI/INTERNATIONAL	Lithuania	1.350	1.474	1.962	1.595
EYVI	VILNIUS/INTERNATIONAL	Lithuania	27.107	29.488	31.994	29.530

List of airports exempted from the Performance and Charging Regulations
In Lithuania: EYKL / EYKS / EYMO / EYPH / EYPI / EYPR / EYRD / EYVK / EYVP.

Additional comments
Poland decided to apply the Regulation 390/2013 to the same 14 airports, where terminal air navigation services are provided and ANSP was designated by Minister responsible for transport at the date of preparation of this performance plan.

SECTION 2: INVESTMENTS

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

2 - INVESTMENTS

Number of ANSPs	2

Oro Navigacija

Number of capex	7

Name of capex 1	**ACC and administration building**
Description	Infrastructure's development: the new building will contain up-to-date designed and equipted OPS and TECH rooms, meeting technological, egronomical and security standards and requirements while satisfying profesional and social expectation of ATCOs and ATSEPs (ref. capex 2)
Accountable entity	ANSP

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*Yes*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*No*	
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*Yes*	
Consultation with stakeholders	*Yes*	14 of March 2014 (IATA)
Decision-making process	*Yes*	The study was done in 2013, investment is confirmed in ANSP bussiness plan, aproved by Board and MoT

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*No*	General approach: - strong orientation to SESAR transversal improvements; - relaying on appropriate innovative technological solutions - MP enablers; - utilizing environmental friendly technology; - introducing high security requirements		
Environment	*No*			
Capacity	*No*			
Cost efficiency	*Yes*	It will reduce building maintenance costs (other operating costs)	2018.09.01	En-route/Terminal

Name of capex 2	**Installation of new ATC system in new ACC**
Description	The new state-of-the-art ATC system meeting complete set of requirements in terms of functionality, scalability, interoperability, security and maintainability planned to be procured and deployed in 2017 will replace ATC system EUROCAT-X currently in operation.
Accountable entity	ANSP

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*Yes*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	SO4. System will be capable to support cross-border FRA implementation. All the details are presented in Annex D
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*Yes*	This project is a part (2.2) of Baltic FAB Implementation Program
Consultation with stakeholders	*Yes*	14 of March 2014 (IATA)
Decision-making process	*Yes*	The study was done in 2013, investment is confirm in ANSP bussiness plan, aproved by Board and MoT

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Improved safety and controllers confidence while using complete set of Safety Nets, Conflict detection and monitoring aids available for 2015+ manufactured systems be offered by manufacturers	2018+	En-route/Terminal
Environment	*Yes*	1) System will support cross-border FRA contributing to ENV KPIs for horizontal fuel savings and corresponding reduction of CO_2 emission; 2) System will be upgradable to future XMAN and thus capable to contribute ***future*** ENV KPIs most probably related to vertical fuel savings and corresponding CO2 emission and noise reduction.	2018+	En-route/Terminal/Airport

Capacity	*Yes*	1) Designed to support dinamic sectorization it will allow to deliver capacity on demand thus optimizing controllers workload while avoiding either overdelivery or underdelivery of the tactical capacity; 2) Air-Ground and Ground-Ground data exchange for seamless ATC coordination, dialog and transfer of communication means will allow to accomodate significant traffic growth/fluctuations without increasing the number of controlling sectors, protecting them from tactical overloads which may cause potential delays. 3) interoperable with the airport systems to support A-CDM	2018+	En-route/Terminal/Airport
Cost efficiency	*Yes*	It will reduce equipment maintenance costs (other operating costs) and minimize the required installation of new upgrades and functions in exciting ATC system	2018+	En-route/Terminal

Name of capex 3	**Installation of voice communication system in the new ACC**
Description	VCS based on up-to-date technologies available in 2016+
Accountable entity	ANSP

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*Yes*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	Detailed description in Annex D
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*Yes*	This project is a part (2.2) of Baltic FAB Implementation Program
Consultation with stakeholders	*Yes*	14 of March 2014 (IATA)
Decision-making process	*Yes*	Investment is confirm in ANSP bussiness plan, aproved by Board and MoT

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Through better quality of communications and improved controllers confidience	2018+	
Environment	*No*			

Capacity	*Yes*	Inderect through better quality of communications and improved controllers confidience	2018+	
Cost efficiency	*Yes*	Replacement of system reduce maintenance costs comparing with those of old one.	2018+	En-route/Terminal

Name of capex 4	**Installation of AFTN/AMHS system in the new ACC**
Description	For all ATC Centres upgraded in terms of functionalities integrated and AFTN/AMHS system deployed in the new ACC
Accountable entity	ANSP

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*Yes*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	Detailed description in Annex D
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*Yes*	This project is a part (2.2) of Baltic FAB Implementation Program
Consultation with stakeholders	*Yes*	14 of March 2014 (IATA)
Decision-making process	*Yes*	Investment is confirmed in ANSP bussiness plan, aproved by Board and MoT

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Benefits resulting from the application of a harmonised set of safety requirements	2018+	En-route/Terminal
Environment	*Yes*	No or marginal benefits		En-route/Terminal
Capacity	*No*	No or marginal benefits		En-route/Terminal
Cost efficiency	*Yes*	Use of de-facto COTS messaging systems will reduce the cost of messaging services and support any kind of message format including the exchange of new binary data	2018+	En-route/Terminal

Name of capex 5	**DME implementation in Vilnius**

Description	The upgrade existing DME infrastructure for implementation of PBN.
Accountable entity	ANSP

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*No*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	Detailed description in Annex D
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*Yes*	This project is a part (2.3) of Baltic FAB Implementation Program
Consultation with stakeholders	*Yes*	14 of March 2014 (IATA)
Decision-making process	*Yes*	Investment is confirm in ANSP bussiness plan, aproved by Board and MoT

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Increase safety of flight operations by increased situational awareness and indirect benefit to both ATC and pilot through reduction of workload during RNAV operations.	2017+	En-route
Environment	*Yes*	Emissions and noise nuisance reduced by use of optimal flight procedures and routings.	2017+	En-route
Capacity	*Yes*	Indirect benefit by enabling optimization of En-Route airspace.	2017+	En-route
Cost efficiency	*Yes*	Fuel cost reduction through optimized routes.	2017+	En-route

Name of capex 6	**Modernization of A-SMGCS in Vilnius**
Description	Integrated FDPS with a new ATM system. Upgrade of current tower display system (TDS) in Vilnius TWR.
Accountable entity	ANSP

Justification of the cost, nature and contribution		
Differentiation	*Overhaul of existing system*	

Replacement investment	*No*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	In case if FRA is "lowered" to TMA only Decision is not yet taken at local level, for the time being - N/A according to the VLCN as per ATM MP. Detailed description in Annex D
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*No*	
Consultation with stakeholders	*Yes*	14 of March 2014 (IATA)
Decision-making process	*Yes*	Investment is confirm in ANSP bussiness plan, aproved by Board and MoT

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Better controller's situational awareness and enhanced functionality. Reduce risk of potentially dangerous vehicles being / crossing restricted areas.	2017+	Terminal
Environment	*Yes*	Enhancing A-CDM and thus contributing ENV via reduction of noise and pollusion while optimizing taxing procedures and better adhearing SLOTs.	2017+	Terminal/Airport
Capacity	*Yes*	Provision of the increased capacity benefits.	2017+	Terminal
Cost efficiency	*Yes*	It will reduce equipment maintenance costs (other operating costs) and minimize the required installation of new upgrades and functions in exciting ATC system used in Vilnius TWR.	2017+	Terminal

Name of capex 7	**Installation of new ATC equipment in Kaunas Aerodrome Control Center**
Description	Change of old ATC system to the new one in the Kaunas Aerodrome Control Centre.
Accountable entity	ANSP

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*Yes*	
Common project	*No*	

Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	Detailed description in Annex D
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*No*	
Consultation with stakeholders	*Yes*	14 of March 2014 (IATA)
Decision-making process	*Yes*	Investment is confirm in ANSP bussiness plan, aproved by Board and MoT. During the RP2 the need of this installation will be investigated further.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Improved safety and controllers confidence while using complete set of Safety Nets and monitoring aids (APM) available for 2015+ manufactured systems be offered by manufacturers	2020+	Terminal/Airport *Note: interacting with En-route*
Environment	*Yes*	System will have AMAN functionalitiy and will be upgradable to interacte with or to be part of future XMAN and thus capable to contribute future ENV KPIs most probably related to vertical fuel savings and corresponding CO2 emission and noise reduction.	2020+	Terminal/Airport *Note: interacting with En-route*
Capacity	*Yes*	1) At local level only as there is no capacity issues; 2) Once it isdecided to implement A-CDM in Kaunas Airport, it could also improve airport throughput	2020+	Terminal/Airport
Cost efficiency	*Yes*	It will reduce equipment maintenance costs (other operating costs) and minimize the required installation of new upgrades and functions in exciting ATC system used in Kaunas TWR.	2020+	Terminal

Name of investment	Total CAPEX for the project	Planned Amount of Capital Expenditures (in national currency)					Lifecycle (Amortisation period in years)	Allocation en route / terminal ANS (%)	Planned date of entry into operation (IOC / FOC dates)
		2015	2016	2017	2018	2019			
ACC and administration building	36.850	7.950	17.770	10.130			part in 15 part in 40	81%/19%	2017.07.01
Installation of new ATC system in new ACC	21.550	5.059	7.462	6.829	100	2.100	10	81%/19%	2017.10.01
Installation of voice communication system in the new ACC	2.400		720	1.680			7	89%/11%	2017.10.01
Installation of AFTN/AMHS system in the new ACC	3.500		1.050	2.450			7	89%/11%	2017.10.01
DME implementation in Vilnius	3.570	320	2.161	1.089			7	100% en-route	2017.07.01

Modernization of A-SMGCS in Vilnius	3.637	1.300	917		110	1.310	7	100% terminal	2017.07.01
Installation of new ATC equipment in Kaunas Aerodrome Control Center	2.000					900	7	100% terminal	2020.07.01
Sub-total of **main capex** above (1)	73.507	14.629	30.080	22.178	210	4.310			
Sub-total other Capex (2)	6.553	2.006	526	1.816	1.145	1.060	various	various	various
Total capex (1) + (2)	80.060	16.635	30.606	23.994	1.355	5.370			

Additional comments
In national currency, '000 LTL No loans/subsidies are foreseen for all projects. They will be financed by ANSP funds.

PANSA

Number of capex	14

Name of capex 1	**Radio location system**
Description	Radars: S-E, MSSR N-E, ASR-10 Warszawa, N-E, Kraków, MLAT Poznan Wroclaw, MLAT Kraków Katowice; modernization of radars: Gdansk, Katowice, MSSR Rzeszów; ADS-B Receiver -Modlin, Szczecin, Lublin
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*New system*	Modernization of existing systems and development through the purchase of new radars
Replacement investment	*Yes*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	ATM MP : CTE-S5, CTE-S9, CTE-S1a, CTE-S1b
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*Yes*	This project is a part of (2.3) Implementation Plan
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	Radars replacement has been performed due to end-of-life of existing radars. ADS-B provides an alternative surveillance layer

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Precise identification and determination of the position of aircraft with surveillance information continuity, enable to provide continuous coverage of the area and maintain the current level of security with an increasing level of air traffic.	2016-2017	En route
Environment	*Yes*	The use of new technologies will reduce the level of transmission of electromagnetic waves and reduce electricity consumption	2016-2017	En route
Capacity	*Yes*	Determine the position of the aircraft along with ensuring continuity of information, surveillance, can reduce the separation of aircraft and leads to increased capacity and reduce delays in air traffic.	2016-2017	En route
Cost efficiency	*Yes*	Maintaining and developing surveillance infrastructure, increased the number of aircraft operated. Analysis of the investment costs and possible operational and technical solutions lead to the selection of a solution requires the least cost in complying with the operational requirements	2016-2017	En route

Name of capex 2	**Ground stations**
Description	Ground stations Wloclawek, Drezdenko,
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*No*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	ATM MP: CTE-C11b, CTE-C5
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*No*	
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	Separation of the functions of transmitting and receiving

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Separation of the functions of transmitting and receiving in the Ground stations, will reduce the interference of waves, causing the cut frequency to reduce the number of usable channels	2015-2016	En-route
Environment	*Yes*	Reducing consumption energy for retrofitted and new equipment	2015-2016	En-route
Capacity	*Yes*	Increasing the number of frequencies in the Ground station, will increase the number of sectors possible to handle, which in turn helps to reduce air traffic delays	2015-2016	En-route
Cost efficiency	*Yes*	Implementation of new technologies in the COM area allows to reduce the operating costs of systems. Separation of the functions of transmitting and receiving in the Ground station, reducing the number needed to build the facilities, which in turn will reduce operating costs	2015-2016	En-route

Name of capex 3	**ATC training and contingency infrastructure**
Description	Infrastructure investments
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*No*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*No*	
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*No*	
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	In order to safeguard a continuity of air navigation services provision in a long-term perspective and with the aim to reduce APP control centres in FIR EPWW.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	To ensure the continuity of services	2015-2019	En-route

Environment	*Yes*	Implementation of energy saving solutions possible to used in the building.	2015-2019	En-route
Capacity	*Yes*	To ensure the continuity of services	2015-2019	En-route
Cost efficiency	*No*			

Name of capex 4	**DVOR/DME Infrastructure**
Description	DME Wielun, Olsztyn, Działyn, DVOR/ DME Okecie, Poznan
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*Overhaul of existing system*	
Replacement investment	*Yes*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	ATM MP: AOM-0601, AOM-0602, CTE-N5a
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*Yes*	This project is a part of (2.3) Implementation Plan
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	Fulfill the requirements of navigation coverage.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Fulfill the requirements of navigation coverage. Multiple coverage of the beacon signal, will increase the accuracy of the aircraft location and to provide redundancy radionavigation coverage.	2016,2017, 2019	En-route/ Terminal
Environment	*Yes*	The flexibility to design procedures for fluent air traffic management and reduction trajectory	2016,2017, 2019	En-route/ Terminal
Capacity	*Yes*	Increase the accuracy of the position of the aircraft by increasing the coverage of the navigation will allow more flexible airways and flight procedures. Minimizing delays in air traffic by increasing the precision of determining the position of the aircraft	2016,2017, 2019	En-route/ Terminal

Cost efficiency	*Yes*	Transition from the use of the DVOR / DME to the DME which is a cheaper technology, will reduce infrastructure maintenance costs. Coverage of the RNP1 is much cheaper than RNP5, also due to the increased accuracy of the location of the aircraft, reducing delays and generated support for air traffic services	2016,2017, 2019	En-route/ Terminal

Name of capex 5	**Towers**
Description	TWR (Towers): Katowice, Krakow, Poznan, Modlin; Remote TWR
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*No*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	ATM MP: SDM-0201
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*Yes*	This project is a part of (2.2) Implementation Plan
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	Opportunity to develop services adequate to the level of traffic.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Fit build parameters to the characteristics of the airport and needs in the provision of aerodrome control services	2015, 2017,2018	En-route/ Terminal
Environment	*No*			
Capacity	*Yes*	Opportunity to develop services adequate to the level of traffic.	2015, 2017,2018	En-route/ Terminal
Cost efficiency	*Yes*	Increasing cost efficiency resulting from leaving the airport services TWR. Reduction in demand for supporting staff. More efficient use of human resources (ATCOs and AFISOs), especially by serving multiple airports with medium to low traffic levels from a centralised location.	2015, 2017,2018	En-route/ Terminal

Name of capex 6	ERP Enterprise Resource Planning system
Description	ERP Enterprise Resource Planning system
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*No*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*No*	
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*No*	
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	Investment plan elaboration procedure . Opportunity to improve the quality of the management process.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*No*			
Environment	*No*			
Capacity	*No*			
Cost efficiency	*Yes*	Ability to efficiently allocate human resources and define the possible bottlenecks. Improving the process of planning, controlling, costs allocating and create financial forecasts.	2016	

Name of capex 7	ILS/DME Infrastructure
Description	ILS/DME Rzeszow, Gdansk, Bydgoszcz, Lodz, Poznan, Krakow, Warszawa (FFM)
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*Overhaul of existing system*	
Replacement investment	*Yes*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	ATM MP : CTE-N6
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*Yes*	This project is a part of (2.3) Implementation Plan
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	Replacement of the ILS system is required due to end-of-life of the current system

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Exchange of exploited ILS systems will increase safety - new equipment are generally more reliable. Increasing the accuracy of the aircraft location can navigate the aircraft with the prescribed rate on the path of approach in low visibility. Provide by instrument approach for depending on the E462 minimize the amount on which the decision is made whether to interrupted the approach to landing. The Airport with ILS system, are able to service the aircraft in bad weather conditions.	2015-2017	En-route/Terminal
Environment	*Yes*	Possibility of flexible design flight procedures, generating environmental effects (reduction emissions etc.)	2015-2017	En-route/Terminal
Capacity	*Yes*	Airport facilities in the ILS can reduce separation between landing aircraft and making possible to increase the number of landings.	2015-2017	En-route/Terminal
Cost efficiency	*Yes*	Airport facilities in the ILS allows to increase the number of aircraft to be serviced even under adverse weather conditions, which generates income for both ANSPs and Airport. Simultaneously are decreasing costs and delays associated with the return of aircraft to the another airport in heavy weather.	2015-2017	En-route/Terminal

Name of capex 8	**Implementation of 8,33 kHz channel separation below FL195**

Description	
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*No*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	ATM MP: CTE-C5
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*No*	
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	Due to EU regulation nr 1079/2012 16.11.2012. Achievement of technical ability to implement a new separation below FL195.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Reliability of radio-communication system	2017	En-route/Terminal
Environment	*No*			
Capacity	*Yes*	Additional transmission channels used to provide the service due to on voice necessity of handle generating level of traffic	2017	En-route/Terminal
Cost efficiency	*No*			

Name of capex 9	**MLAT Poznań, Wrocław, Kraków, Katowice**
Description	
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*New system*	

Replacement investment	*No*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	ATM MP: CTE-S5
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*No*	
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	Opportunity to introduce new more economical solution to provide APP services

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Precise identification and determination of the position of aircraft with surveillance information continuity, enable to provide continuous coverage of the area and maintain the current level of security with an increasing air traffic level.	2019	En-route
Environment	*No*			
Capacity	*Yes*	Determination the position of the aircraft with the ensuring of continuity of information surveillance, can reduce the aircraft separation and adjusted to increased capacity and reduce air traffic delays.	2019	En-route
Cost efficiency	*Yes*	Analysis of the investment costs and possible operational and technical solutions lead to the selection of a solution requires the least cost in complying with the operational requirements	2019	En-route

Name of capex 10	**System A-SMGCS**
Description	System A-SMGCS
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*No*	

Common project	*Yes*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	ESSIP Objectives: AOP04.1; AOP04.2 ATM MP:AO-0201, AO-0102, CTE-S5, CTE-S9
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*No*	
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	A-SMGCS Level 1 surveillance data may be used to replace visual observation as required, in accordance with ICAO EUR Doc 7030, chapter 6.5.6 (approved March 2009), and as the basis of controller decision making.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Improved situational awareness for aerodrome controllers to ensure the safety of aerodrome operations.	2016	Terminal
Environment	*Yes*	Reduction of noise and emissions.	2016	Terminal
Capacity	*Yes*	Ability to maintain traffic throughput during periods when aerodrome traffic can not be observed visually by aerodrome controllers	2016	Terminal
Cost efficiency	*Yes*	More efficient control of aerodrome surface traffic, leading to a reduction in delay and fuel burn.	2016	Terminal

Name of capex 11	**Search & Rescue infrastructure**
Description	S&R (Search & Rescue infrastructure)
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*No*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*No*	
Joint investment	*No*	

Synergies achieved at FAB level or other MS	*Yes*	This project is a part of (3.4) Implementation Plan
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	Investment plan elaboration procedure. Provision of activities in the crisis situation.

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	Coordination Centre for Search and Rescue Air ARCC project in view of the amendment to the airline and the resulting regulations of the Minister of Infrastructure will be located in the Polish Air Navigation Services Agency.	2017	En-route/Terminal
Environment	*No*			
Capacity	*No*			
Cost efficiency	*No*			

Name of capex 12	**Pegasus ATM system and and supporting systems**
Description	Pegasus ATM system and and supporting systems
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*Overhaul of existing system*	
Replacement investment	*Yes*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	IS-0901; CM-0202; CM-0203
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*Yes*	This project is a part of (2.2) Implementation Plan
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	Investment plan elaboration procedure

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

Safety	*Yes*	Enhanced airspace management adjusted to traffic volume in FIR Warsaw and maintainance or increase of air traffic safety	2015-2018	En-route/ Terminal
Environment	*No*			
Capacity	*Yes*	Airspace capacity increase; enabler for implementation of the vertical split	2015-2018	En-route/ Terminal
Cost efficiency	*Yes*	ATCOs productivity increase	2015-2018	En-route/ Terminal

Name of capex 13	**ATM Systems inspection aircraft**
Description	ATM Systems inspection aircraft
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*Overhaul of existing system*	
Replacement investment	*Yes*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*No*	
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*Yes*	This project is a part of (3.2) Implementation Plan
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	Investment plan elaboration procedure

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*Yes*	To increase the possibility to immediately make the necessary inspection flight, before taking the NAV etc. infrastructure into use.	2016	En-route
Environment	*No*			
Capacity	*Yes*	To increase the possibility to immediately make the necessary inspection flight, before taking the NAV etc. infrastructure into use.	2016	En-route
Cost efficiency	*Yes*	ANSP will not have costs related with the provision of services by external provider.	2016	En-route

Name of capex 14	AIM- Aeronautiocal Information Management
Description	(System AIXM5.1; IWB System) System AIXM5.1 project is fully compliant to the Global Air Navigation Plan (Doc 9750) which was developed as a strategic document to guide the implementation of CNS/ATM systems with respect to the Global Air Traffic Management Operational Concept (Doc 9854) and the Strategic Objectives of ICAO.
Accountable entity	ANSP-PANSA

Justification of the cost, nature and contribution		
Differentiation	*New system*	
Replacement investment	*No*	
Common project	*No*	
Other investment (in line with interoperability Regulations, the IDP, Master Plan essentials or the NSP)	*Yes*	ESSIP Objectives: ITY_ADQ, INF-04 ATM MP: IS-0202; IS-0404
Joint investment	*No*	
Synergies achieved at FAB level or other MS	*Yes*	This project is a part of (2.4) Implementation Plan
Consultation with stakeholders	*Yes*	9th and 14th May 2014
Decision-making process	*Yes*	The goal is to provide a service migration from manual processing and management of documents published in the paper version to an electronic one

KPA	Impact	Expected benefits per KPA	Date of expected benefits	Area <En-route/ Terminal/ Airport/ Phases
Safety	*No*	To assure the flight data in the relevant as shortes as possible time. Minimisation of the number of possible errors in the data systems of the ATM and the Integrated Aeronautical Information.	2019	En-route/ Terminal
Environment	*No*			
Capacity	*No*	Improving access to current flight data will allowa quick response to changes in the airspace and reduce the need for restrictions	2019	En-route/ Terminal
Cost efficiency	*Yes*	Creating dedicated products for the needs of airspace users	2019	En-route/ Terminal

Name of investment	Total CAPEX for the project	Planned Amount of Capital Expenditures (in national currency)					Lifecycle (Amortisation period in years)	Allocation en route / terminal ANS (%)	Planned date of entry into operation (IOC / FOC dates)
		2015	2016	2017	2018	2019			
Radio location system	107,8	43,07	8,79	26,06	28,37	1,52	15	100/0	2016-2019
Ground stations	3,2	3,2	0	0	0	0	15	100/ 0	2015-2016

ATC training and contingency infrastructure	200,1	15	14,05	44	127	0	40	100/ 0	2015, 2019
DVOR/DME Infrastructure	12,1	1,1	4,6	0,35	0	6	15	100/ 0 99/1	2016, 2019
Towers	111,6	35,1	16,5	32,2	27,8	0	40, 15	70/30 0/ 100	2015-2018
ERP Enterprise Resource Planning system	16,0	10,4	5,6	0	0	0	5	90/10	2016
ILS/DME Infrastructure	15,9	5,7	0	7,5	2,7	0	20	50/50	2015-2018
Implementation of 8,33 kHz channel separation below FL195	6,0	0	6	0	0	0	5	75/25	2017
MLAT Poznań, Wrocław, Kraków, Katowice	20,0	0	0	14	6	0	15	100/0	2019
System A-SMGCS	16,7	0,0	16,7	0,0	0,0	0,0	5	0/100	2016
Search & Rescue infrastructure	23,4	0,0	2,0	21,4	0,0	0,0	5	100/0	2017
Pegasus ATM system and and supporting systems	85,8	11,4	0,0	11,4	0,0	63,0	15, 10	94/6	2015-2019
ATM Systems inspection aircraft	36,5	36,5	0,0	0,0	0,0	0,0	20	100/ 0	2016
AIM- Aeronautiocal Information Management	2,5	0,0	2,5	0,0	0,0	0,0	3,10,40	90/10	2016
Sub-total of **main capex** above (1)	657,5	161,5	76,8	156,9	191,9	70,5			
Sub-total other Capex (2)	39,5	7	9	9	9	5			
Total capex (1) + (2)	697,0	168,0	86,0	166,0	201,0	76,0			

Additional comments

SECTION 3: PERFORMANCE TARGETS

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

SECTION 3.1.(a): SAFETY KPA

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

3 - PERFORMANCE TARGETS AT LOCAL LEVEL

3.1 - Key Performance Areas

3.1.(a) - Safety

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

		2015 Target	2016 Target	2017 Target	2018 Target	2019 Target
Union-wide targets at State level		-	-	-	-	C
Union-wide targets at ANSP level	For Safety Culture MO	-	-	-	-	C
	For all other MOs	-	-	-	-	D
FAB level	**Regulatory authorities**	B	B	B	B	C
	Description of the consistency between local and Union-wide targets	NSAs targets are consistent with the Union-wide targets				
	Detailed justification in case of inconsistency	not applicable				
	ANSPs (for Safety Culture MO)	C	C	C	C	C
	ANSPs (for all other Mos)	D	D	D	D	D
	Description of the consistency between local and Union-wide targets	ANSPs targets are consistent with the Union-wide targets				
	Detailed justification in case of inconsistency	not applicable				
	Select Number of States >>	2				
National level	***Lithuania***	B	B	B	B	C
	Poland	Select Level	Select Level	Select Level	Select Level	C
	Select Number of ANSPs **for Safety Culture MO** >>	2				
National level	***ORO NAVIGACIJA***	C	C	C	C	C
	PANSA	Select Level	Select Level	Select Level	Select Level	C
	Select Number of ANSPs **for all other MOs** >>	2				
National level	***ORO NAVIGACIJA***	D	D	D	D	D
	PANSA	Select Level	Select Level	Select Level	Select Level	D
Additional comments						

Poland state level (according to questionnaire EoSM state level) – questions with level B – actual level and activity to do:
Q2.2 The competent authority has agreed with individual air navigation service providers on the safety performance (consistent with the ones contained in the national performance plans).:
ACTUAL LEVEL: [A5] There is a plan to establish a national ASL for ATM system within the SSP.
TARGET: Formalised acceptable safety levels shall be established for the ATM system through the implementation of the State Safety Programme.
Q4.2 The competent authority has an established system that gathers information on best practices, safety-relevant information and safety lessons learned from the industry (such as regional/local operational safety improvement action plans, toolkits).:
ACTUAL LEVEL: [A5] Polish CAA/NSA was actively involved into the peer review programme managed by NSA CP. The main goal of the programme was to share experiences and the best practices between the NSAs. Within the Baltic FAB Polish and Lithuanian CAA share the best practices concerning the safety oversight activities
TARGET: There will be a robust and effective mechanism in place for the collection of best practices and lessons learned. Their applicability to different situations is evaluated, and information disseminated / best practice adopted where appropriate. Formal evaluation of the applicability of best practices and lessons learned is undertaken.
Q4.3 There is a process in place to share best practices, safety-relevant information and safety lessons learned internally, nationally, regionally and with international bodies.
[A5] Please provide justification for selected answer:
ACTUAL LEVEL: (see answer above).
TARGET: A national policy will be published with regard to sharing safety related best practices and safety lessons learned with other parties. A documented process is in place to enable the sharing of best practices and safety lessons learned internally and also with other competent authorities and international bodies.
Q5.2 Safety culture is measured on a regular basis and there is an improvement programme in place.:
ACTUAL LEVEL: [A5] It is not at clear if the safety culture in particular is in any way actively managed. Furthermore, it was clear that it is not measured and even if senior management, while supportive of safety culture, does consider measuring it.
TARGET: Safety culture will be measured and results are available within the competent authority. An improvement plan has been agreed by the senior management.
ANSP level – PANSA EoSM
maintain the effectiveness of safety management at level D for such management objectives as:
organisational and individual safety responsibilities;

All levels of stakeholders of the Baltic FAB made commitment to create an integrated and highly transparent safety chain across the whole aviation system which delivers a common and high level of safety across the Baltic FAB in a cost effective way and ensures that the Safety Regulatory requirements related with FABs are met at all levels.
In order to implement such safety chain at the State level, a commitment was done to harmonise relevant national rules and procedures for general air traffic and civil-military coordination within the Baltic FAB. Management of Safety will be achieved by harmonised and coordinated SMS procedures ensuring the priority and effectiveness of safety management at all levels.
With the implementation of the Baltic FAB, a close coordination has been put in place between FAB members to consolidate their respective safety management systems into a harmonized one, creating a homogeneous safety levels and concept around the FAB. Additionally to homogenization of safety levels within the Baltic FAB and creation of a common safety concept, it will be ensured that the safety in the FAB is being cultivated, developed, effectively managed and overseen in a coordinated manner.
It is obvious that the risks associated with the foreseen operational improvements will be lower if implemented in the framework of the FAB. FAB relevant ATM/ANS changes will be further assessed prior to actual implementation, on a case by case basis, in accordance with a defined and documented process.
A common safety training programme will be implemented in the Baltic FAB in order to develop SMS and ensure its effectiveness and all activities in this area will be conducted in a very close cooperation.

The SMSs in PANSA and Oro Navigacija are systematic because safety management activities are in accordance with a pre-determined plan and applied in a consistent manner throughout the both organizations. The plan to keep the safety risks of the consequences of hazards under control is developed, approved, implemented and operated on a non-stop, daily basis. Although outcomes are duly considered to extract conclusions that support the control of safety risks, the main focus of an SMS is the capture of hazards, which are the precursors to outcomes, during the course of the routine operational processes that the organizations engages in during delivery of services.

The SMSs in PANSA and Oro Navigacija are proactive because they build upon an approach that emphasizes hazard identification and safety risk control and mitigation, before events that affect safety occur. They involves strategic planning, seeking to keep safety risks under the constant control of the organizations. In order to sustain effective hazard identification, constant monitoring is conducted of operational activities necessary for the provision of services. This allows for the collection of safety data on hazards, allowing organizational decisions on safety risks and their control.The SMSs are explicit because all safety management activities are documented, visible and therefore defensible. Safety management activities and the ensuring safety management know-how of the organization are formally recorded in official documentation that is available for anyone to access. Thus, safety management activities are transparent.

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

Ground Score		2015 Target	2016 Target	2017 Target	2018 Target	2019 Target
Union-wide targets	SMIs	-	-	>= 80%	-	100%
	RIs	-	-	>= 80%	-	100%
	ATM-S	-	-	>= 80%	-	100%

FAB level	SMIs			>=80%	>=80%	100,00%
	RIs			>=80%	>=80%	100,00%
	ATM-S			>=80%	>=80%	100,00%
Description of the consistency between local and Union-wide targets						
Detailed justification in case of inconsistency						

Select Number of ANSPs >>	2

National level	***Oro Navigacija***	SMIs	100,00%	100,00%	100,00%	100,00%	100,00%
		RIs	100,00%	100,00%	100,00%	100,00%	100,00%
		ATM-S	100,00%	100,00%	100,00%	100,00%	100,00%
	PANSA	SMIs			>=80%	>=80%	100,00%
		RIs			>=80%	>=80%	100,00%
		ATM-S			>=80%	>=80%	100,00%

Additional comments
Oro Navigacija has been using RAT methodology since 2012 for severity classification of each reported ATM safety occurences.

Overall Score		2015 Target	2016 Target	2017 Target	2018 Target	2019 Target
Union-wide targets	SMIs	-	-	>= 80%	>= 80%	>= 80%
	RIs	-	-	>= 80%	>= 80%	>= 80%
	ATM-S	-	-	>= 80%	-	100%

FAB level	SMIs			>=80%	>=80%	90,00%
	RIs			>=80%	>=80%	90,00%
	ATM-S			>=80%	>=80%	100,00%
Description of the consistency between local and Union-wide targets		FAB targets consistent with Union-wide targets. Baltic FAB Safety Committee will promote safety staff training in application of RAT methodology in a coordinated manner amongst ANSPs and NSAs as well as experience sharing through regional workshops for FAB members.				
Detailed justification in case of inconsistency		not applicable				

Select Number of States >>	2

National level	***Lithuania***	SMIs			>=80%	>=80%	80,00%
		RIs			>=80%	>=80%	80,00%
		ATM-S			>=80%	>=80%	100,00%
	Poland	SMIs			>=80%	>=80%	100,00%
		RIs			>=80%	>=80%	100,00%
		ATM-S			>=80%	>=80%	100,00%

Additional comments
At the moment Civil Aviation Administration of Lithuania performs analysis of investigations concerned, verifies the correctness of severity established but currently does not use RAT directly. It is planed for gradual introduction of the RAT methodology for the classification of at least 80% of the annualy reported SMIs, RIs and ATM-S at the end of 2017. Polish State Commission for Air Accident Investigation classifies occurences IAW ICAO Annex 13.

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

		2019 Target
FAB level	**Regulatory authorities**	Have you established a common FAB approach in certain areas for Just Culture improvements?
		NO
		If YES, please specify details and level of presence. If NO, please specify any impediments, intent for common FAB approach.
		See below at Additional Comments
	ANSPs	Have you established a common FAB approach in certain areas for Just Culture improvements?
		NO
		If YES, please specify details and level of presence. If NO, please specify any impediments, intent for common FAB approach.
		See below at Additional Comments

	Number of States	2

National level	***Lithuania***	What actions have you undertaken to optimise Just Culture?
		Formal steps are conducted, voluntary reporting system established and confidentiality is entrusted by appropriate legislation. The evaluation of the results from the EASA RP1 Just Culture questionnaire revealed some aspects that could be improved during the RP2.
	Poland	What actions have you undertaken to optimise Just Culture?
		President of Polish CAA established task force for introduction of voluntary and confidential reporting system. The task force is responsible for collection, storage and analysis of provided information.

	Number of ANSPs	2

National level	***Oro Navigacija***	What actions have you undertaken to optimise Just Culture?
		Just culture is understood as an integral part of safety culture and takes part in making overall safety management system as sustainable process. A Safety Culture survey has been undertaken with assisstance of EUROCONTROL and results were presented at the end of 2012. Safety Culture enablers and barriers were identified, recommendations issued. Based on the results of the survey the action plan was developed with measures that would provide relevant solutions to improve situation. The current action plan sets an individual term (deadline) to every specific task, except to those activities which are of permanent nature (for example, "to provide feedback to reporter of occurrence" – such kind of activity is to be carried out continuously). *Safety Culture Policy covering Just Culture elements of Oro Navigacija issued in 2012 and updated in 2013. Depending on the progress of implementation of tasks set, Oro Navigacija intends to extend this action plan: include in its SMS documentation a detailed description of what is considered to be unacceptable behavior, complete the development of critical incident stress management (CISM) programme, including a nomination of the staff to provide CISM activities and its training.*
	PANSA	What actions have you undertaken to optimise Just Culture?
		PANSA established Critical Incident Stress Management Programme and the principles of Just Culture (JC) are included in ab-initio and recurrent training in PANSA. To optimise JC, PANSA has to implement JC policy and there is need for agreement between PANSA and judicial authority.

Additional comments

Both ANSPs have implemented just culture principles. Baltic FAB Safety Committee committed to facilitate common activities in organizing regional workshops and surveys on safety culture at FAB level with emphasizing of just culture.

Continue efforts to develop a safety culture in organization, in particular just culture. In order to implement the above plans commitment and allocation of adequate resources will be required, modernization of the tools used for the reporting and investigating occurences affecting the safety in the operational and technical and risk management areas, and also safety surveys and promotion. In terms of safety culture PANSA will continue to develop cooperation with the local units by the Local Safety Managers (LSM) and cooperation within the Baltic FAB.

Maintaining a high level of comptetence of personal and monitoring of new developments in safety mangement and ATM/CNS area, will be implemented through participation in training courses, scientific and technical conferences, antional and international projects and exchange of experiences between researchers and practitioners to their implementation at the level of PANSA whetherin the Baltic FAB. Continue of cooperation and exchange of best practices with other ANSPs and industry organizations such as CANSO, EUROCONTROL, EASA, and ICAO and also national organizations such as the Civil Aviation Authority, the Air Force, airports and carriers and academic and R&D organizations.

SECTION 3.1.(b): ENVIRONMENT KPA

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

3.1.(b) - Environment

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

	2015 Value	2016 Value	2017 Value	2018 Value	2019 Target
Union-wide targets	-	-	-	-	2,60%
FAB reference values	1,50%	1,47%	1,44%	1,40%	1,36%
FAB level	1,50%	1,47%	1,44%	1,40%	1,36%

Description of the consistency between FAB targets and FAB reference values	For the second reference period covering the calendar years 2015-2019 inclusive, the Baltic FAB performance targets in the key performance area of environment shall be an average horizontal en route flight efficiency of the actual trajectory, as defined in point 2.1(a) of section 1 of Annex I to Commission Implementing Regulation (EU) No 390/2013 of 1,36% or better in 2019.
Detailed justification in case of inconsistency	
ANSP contribution to local targets	Largest contribution of the Baltic FAB ANSPs is planned: 1) for Lithuanian ANSP - contribution is foressen only after 2015, once the implementation of the free route airspace will be expanded into intra FAB level (due to the present route network structure within VILNIUS FIR); 2) for Polish ANSP – from 2015 starting with the implementation of the free route airspace within WARSAW FIR, and further when the intra FAB level is reached in 2017; 3) „lowering" FRA aplicability in terms of Flight levels while implementing it in TMAs, improvements will be brought with each particular TMA included.

Description of the process to improve route design
Overall contribution is planned to be gained through synchronized ANSP implementation of Free route airspace above FL245 by 2017/2018 within corresponding Baltic FAB FIR's. *Further improvement of ENV dimension could be achieved:* *1) via cross-border FRA implementation with neighboring FABs within wider region, and in particular, if embracing 3rd states FIRs (Kalinnigrad and Belarus FIRs). This process would „release" for the airspace users more optimal flight trajectories;* *2) through „lowering" FRA to the TMA level, but this seems not as beneficial as one, described above.* *Regional FRA from 2017+ is considered as a major facilitator for further KPI improvement.*

Additional comments
Analysis of PANSA's airspace network operation indicates that the opportunity for further reducing routes extension and effectiveness of the horizontal en route flight efficiency KPI is very limited. Therefore, PANSA will focus on other efficiency-driven activities comprising particularly improvements in vertical flight profiles. Moreover recent data shows the extension of the real trajectory in 2013. *Oro Navigacija's contribution at FIR (calculated by Oro Navigacija) and FAB (as assessed by NM) levels provided at Annex E. Moreover recent data presented by EUROCONTROL/ NM shows the extension of the real trajectory for Baltic FAB in 2013 to* ***1,72 %****. It means the improvement for Baltic FAB will have to increase to* ***0,36% r*** *efering to the latest data.*

PERIOD		FAB	KEA
JAN	2012	Baltic FAB	1,46
FEB	2012	Baltic FAB	1,49
MAR	2012	Baltic FAB	1,52
APR	2012	Baltic FAB	1,55
MAY	2012	Baltic FAB	1,61
JUN	2012	Baltic FAB	1,75
JUL	2012	Baltic FAB	1,83
AUG	2012	Baltic FAB	1,67
SEP	2012	Baltic FAB	1,63
OCT	2012	Baltic FAB	1,52
NOV	2012	Baltic FAB	1,52
DEC	2012	Baltic FAB	1,54
YEAR	2012	Baltic FAB	1,61
JAN	2013	Baltic FAB	1,49
FEB	2013	Baltic FAB	1,56
MAR	2013	Baltic FAB	1,51

APR	2013	Baltic FAB	1,60
MAY	2013	Baltic FAB	1,77
JUN	2013	Baltic FAB	1,85
JUL	2013	Baltic FAB	1,76
AUG	2013	Baltic FAB	1,77
SEP	2013	Baltic FAB	1,80
OCT	2013	Baltic FAB	1,78
NOV	2013	Baltic FAB	1,77
DEC	2013	Baltic FAB	1,85
YEAR	2013	Baltic FAB	1,72

Source: data provided by NM

The tendency for the first months of 2014 is not very optimistic

Baltic FAB	JAN	FEB	MAR	APR	MAY
2012	1,46%	1,49%	1,52%	1,55%	1,61%
2013	1,49%	1,56%	1,51%	1,60%	1,77%
2014	1,58%	1,45%	1,52%	1,60%	1,67%

Source: data provided by NM, calculation done by Polish NSA

SECTION 3.1.(c): CAPACITY KPA

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

3.1.(c) - Capacity

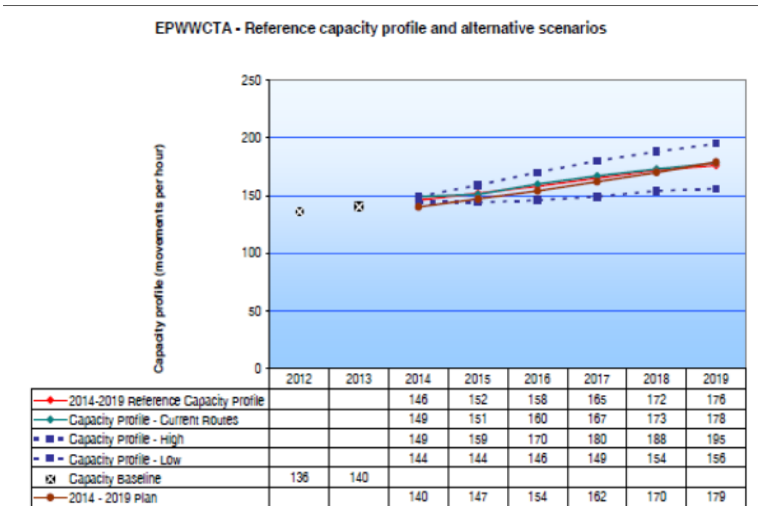
3.1.(c).(i) - Capacity KPI #1: En route ATFM delay per flight

	2015 Value	2016 Value	2017 Value	2018 Value	2019 Target
Union-wide targets	0,50	0,50	0,50	0,50	0,50
FAB reference values	0,21	0,21	0,21	0,22	0,22
FAB level	0,21	0,21	0,21	0,22	0,22
Description of the consistency between FAB targets and FAB reference values					
Detailed justification in case of inconsistency					

Select Number of ANSPs >>	2

National level	***Oro Navigacija***	0,01	0,02	0,03	0,04	0,04
	ANSP contribution to FAB targets	With the reference to the European Network operations plan for 2014-2018/2019, there is sufficient capacity to be provided by Vilnius ACC to meet expected traffic demand. Traffic growth was assessed basing on Eurocontrol Seven-Year Forecast (February 2014). Currently and for RP2, Lithuania is below European average en-route ATFM delay, and is in line with the BALTIC FAB targets.				
	PANSA	0,26	0,26	0,26	0,26	0,26
	ANSP contribution to FAB targets	PANSA contribution is described in chapter 3.4				

Additional comments
The capacity target for the second reference period, the Union-wide performance targets for the key performance area of capacity shall be an average en route air traffic flow management (ATFM) delay per flight, as defined in point 3.1 of section 1 of Annex I to Implementing Regulation (EU) No 390/2013, of no more than 0.5 minutes per flight, to be reached for each calendar year. It means that contribution of ANSPs shall be at least the same like for the last year of the first reference period taking into consideration the traffic forecast. The reference value calculated by PRB for 2014 were respectively for PANSA 0,26 min/ flight and for Oro navigacija 0,06 min/ flight. Both ANSPs shall focus on reaching and maintaining the targets. *PANSA* *In accordance with the table included in European Network Operation Plan 2015-2018/19 Edition March 2014 (see below) PANSA reference capacity profile is almost equal capacity profile. Implementation of the new ATM system in 2013 resulted in increasing ATFM delay at the end of the year. ACC Warszawa is now recovering capacity and preparing the vertical sectorization as preplanned in capacity plan included into LSSIP Poland.* *Oro Navigacija:* *No delays were generated by Vilnius ACC. Nevertheless, in order to provide sufficient capacity in efficient manner, airspace structure's re-organization and flexible responsibility's allocation were performed in 2009, it allows to provide effective ATC and airspace utilization targeted to the mid-term perspective, id. est including RP2. FRA implementation is also taken into account while considering and assessing the capacity measures.*



	2012	2013	2014	2015	2016	2017	2018	2019
2014-2019 Reference Capacity Profile			146	152	158	165	172	176
Capacity Profile - Current Routes			149	151	160	167	173	178
Capacity Profile - High			149	159	170	180	188	195
Capacity Profile - Low			144	144	146	149	154	156
Capacity Baseline	136	140						
2014 - 2019 Plan			140	147	154	162	170	179

	2015	2016	2017	2018	2019
Poland	741 000	774 000	802 000	832 000	864 000
Lithuania	234 000	242 000	249 000	256 000	264 000
Baltic FAB	975 000	1016 000	1051 000	1088 000	1128 000

Source: *EUROCONTROL Seven-Year Forecast February 2014 Flight Movements and Service Units 2013-2019*

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

Number of States	2

Lithuania

	2015 Value	2016 Value	2017 Value	2018 Value	2019 Target
National level	0	0	0	0	0
Contribution to the improvement of the European ATM network performance	No ANS ATFM delays were generated before and will not be generated in RP2.				

Number of airports	4

Airport level	***EYKA (KAUNAS/INTERNATIONAL)***					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EYPA (PALANGA/INTERNATIONAL)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EYSA (SIAULIAI/INTERNATIONAL)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EYVI (VILNIUS/INTERNATIONAL)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				

Additional comments

Poland

	2015 Value	2016 Value	2017 Value	2018 Value	2019 Target
National level					
Contribution to the improvement of the European ATM network performance					

Number of airports	14

Airport level	***EPBY (BYDGOSZCZ/SZWEREDOWO)***					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EPGD (GDANSK/LECH WALESA)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EPKK (KRAKOW/BALICE)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EPKT (KATOWICE/PYRZOWICE)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EPLB (LUBLIN)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EPLL (LODZ/LUBLINEK)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EPMO (WARSZAWA/MODLIN)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EPPO (POZNAN/LAWICA)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EPRA (RADOM)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EPRZ (RZESZOW/JASIONKA)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EPSC (SZCZECIN/GOLENIOW)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EPWA (WARSAW CHOPIN AIRPORT)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EPWR (WROCLAW/STRACHOWICE)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				
	EPZG (ZIELONA GORA/BABIMOST)					
	Airport contribution to national targets	No risk of the occurance of delays neither identified nor predicted for RP2				

Additional comments

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

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

SECTION 3.1.(d): COST-EFFICIENCY KPA

Mapping between the template for the FAB performance plan and Annex II of the performance Regulation				
Structure of ANNEX II of the performance Regulation	Link with PRB Performance Plan template			
	Body of Performance Plan	Annex C For cost-effiency		Other annexes
		RT ref.	AI ref.	
(d) Cost-efficiency	3.1.(d)			
(i) determined costs for *en route* and terminal air navigation services set in accordance with the provisions of Article 15(2)(a) and (b) of Regulation (EC) No 550/2004 and in application of the provisions of Implementing Regulation (EU) No 391/2013 for each year of the reference period;	3.1.(d).1.A 3.1.(d).2.A			
(ii) *en route* and terminal service units forecast for each year of the reference period;	3.1.(d).1.A 3.1.(d).2.A 3.1.(d).1.C 3.1.(d).2.C	RT 1 (5.4)		
(iii) as a result, the determined unit costs for the reference period;	3.1.(d).1.A 3.1.(d).2.A	RT 1 (5.5)		
(iv) description and justification of the return on equity of the air navigation service providers concerned, as well as on the gearing ratio and on the level/composition of the asset base used to calculate the cost of capital comprised in the determined costs;		RT 1 (3.1-3.4, 3.6)	AI 1 e)	
(v) description and explanation of the carry-overs from the years preceding the reference period;		RT 1 (3.1-3.4, 3.6)	AI 3 c), d), e)	
(vi) description of economic assumptions, including: — inflation assumptions used in the plan as compared to an international source such as the IMF (International Monetary Fund) Consumer Price Index (CPI) for the forecasts and Eurostat Harmonised Index of Consumer Price for the actuals. Justification of any deviation from these sources,	3.1.(d).1.B 3.1.(d).2.B	RT 1 (5.1-5.2)		
— assumptions underlying the calculation of pension costs comprised in the determined costs, including a description on the relevant national pension regulations and pension accounting regulations in place and on which the assumptions are based, as well as information whether changes of these regulations are anticipated,			AI 4 b)	
— interest rate assumptions for loans financing the provision of air navigation services, including relevant information on loans (amounts, duration, etc.) and explanation for the (weighted) average interest on debt used to calculate the cost of capital pre tax rate and the cost of capital comprised in the determined costs,		RT 1 (3.7)	AI 4 c)	
— adjustments beyond the provisions of the International Accounting Standards;			AI 1 Item c)	
(vii) if applicable, description in respect to the previous reference period of relevant events and circumstances set out in Article 14(2)(a) of Implementing Regulation (EU) No 391/2013 using the criteria set out in Article 14(2)(b) of Implementing Regulation (EU) No 391/2013 including an assessment of the level, composition and justification of costs exempt from the application of Article 14(1)(a) and (b) of Implementing Regulation (EU) No 391/2013;		RT 3 (3.1-3.12)	AI 3 b)	
(viii) if applicable, a description of any significant restructuring planned during the reference period including the level of restructuring costs and a justification for these costs in relation to the net benefits to the airspace users over time;		RT 3 (4.1)	AI 4 d)	
(ix) if applicable, restructuring costs approved from previous reference periods to be recovered.		RT 3 (4.1)	AI 4 e)	

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

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

1. In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
    - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;:
    - The entries and justification requiring data from external sources i.e.
        - The traffic forecast used and, if applicable, their justification against STATFOR
        - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
    - The local alert thresholds, if any, and their justification.
    - A presentation of the consolidation of the targets at FAB level.

2. In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities…), as follows:
    - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
    - The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation,.

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

3.1.(d) - Cost Efficiency

List of En Route Charging Zones

Number of en route charging zones	2

1	***Lithuania***
2	***Poland***

List of Terminal Charging Zones

Number of terminal charging zones	2

1	***Lithuania***
2	***Poland***

Following users' remarks expressed during consultation process and after analysis of various scenarios of terminal charging zones for RP2, it was decided to modify the configuration of the charging zones for Poland starting from 2017, in line with the date at which EU-wide target for terminal cost-efficiency will be adopted. From 01.01.2017 until the end of RP2 two terminal charging zones in Polish airspace will be established. For more information see TNC Adittional Information 1 point a) and TNC Adittional Information 2 point a).

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

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

in LTL

	Lithuania	Historical data (actual 2009-2013, latest 2014 forecast)						RP2 Performance Plan					RP1 PP	Average pct variation p.a.			
		2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D	2014 D	2009A-2019D	2014F-2019D	2011A-2019D	2014D-2019D
Nominal prices	Total en route actual/forecast/determined costs in nominal terms (in national currency)	58.633.924	62.118.000	71.053.687	73.888.590	77.991.286	79.741.861	80.508.914	80.596.364	83.512.798	86.643.093	88.905.340	79.164.791	4,3%	2,2%	2,8%	2,3%
	Inflation %		1,20%	4,10%	3,20%	1,20%	0,93%	1,66%	2,23%	2,55%	2,23%	2,23%					
	Inflation index (Base = 100 in 2012)	91,98	93,08	96,90	100,00	101,20	102,14	103,84	106,16	108,87	111,30	113,79	102,14	2,2%	2,2%	2,0%	2,2%
	Total en route actual/forecast/determined costs in real terms (in national currency at 2012 prices)	63.747.022	66.734.113	73.327.404	73.888.590	77.066.488	78.068.318	77.528.933	75.918.271	76.710.459	77.846.688	78.133.754	77.506.411	2,1%	0,0%	0,8%	0,2%
	Total en route Service Units (TSU)	341.247	370.823	419.921	429.631	450.551	464.778	490.928	508.601	524.877	541.672	559.548	467.097	5,1%	3,8%	3,7%	3,7%
	Real en route UCs/DUCs (in national currency at 2012 prices)	186,81	179,96	174,62	171,98	171,05	167,97	**157,92**	**149,27**	**146,15**	**143,72**	**139,64**	165,93	-2,9%	-3,6%	-2,8%	-3,4%
€2012 prices	2012 average exchange rate (1EUR=)	3,45102	3,45102	3,45102	3,45102	3,45102	3,45102	3,45102	3,45102	3,45102	3,45102	3,45102	3,45102				
	Total **en route** costs in real terms (in €$_{2012}$ prices)	18.471.936	19.337.504	21.248.038	21.410.652	22.331.510	22.621.810	22.465.513	21.998.792	22.228.344	22.557.588	22.640.771	22.458.986	2,1%	0,0%	0,8%	0,2%
	Trend in total **en route** costs in real terms %n/n-1		4,7%	9,9%	0,8%	4,3%	1,3%	-0,7%	-2,1%	1,0%	1,5%	0,4%					
	Real **en route** UCs/DUCs (in €$_{2012}$ prices)	54,13	52,15	50,60	49,83	49,56	48,67	45,76	43,25	42,35	41,64	40,46	48,08	-2,9%	-3,6%	-2,8%	-3,4%
	Trend in real **en route** UCs/DUCs (in €$_{2012}$ prices) %n/n-1		-3,7%	-3,0%	-1,5%	-0,5%	-1,8%	-6,0%	-5,5%	-2,1%	-1,7%	-2,8%					
€2009 prices	Inflation index (Base = 100 in 2009)	100,00	101,20	105,35	108,72	110,03	111,05	112,90	115,42	118,36	121,01	123,71	111,05				
	2009 average exchange rate (1EUR=)	3,45061	3,45061	3,45061	3,45061	3,45061	3,45061	3,45061	3,45061	3,45061	3,45061	3,45061	3,45061				
	Total **en route** costs in real terms (in €$_{2009}$ prices)	16.992.336	17.788.572	19.546.072	19.695.661	20.542.758	20.809.805	20.666.027	20.236.691	20.447.855	20.750.727	20.827.247	20.660.023	2,1%	0,0%	0,8%	0,2%
	Trend in total **en route** costs in real terms %n/n-1		4,7%	9,9%	0,8%	4,3%	1,3%	-0,7%	-2,1%	1,0%	1,5%	0,4%					
	Real **en route** UCs/DUCs (in €$_{2009}$ prices)	49,79	47,97	46,55	45,84	45,59	44,77	42,10	39,79	38,96	38,31	37,22	44,23	-2,9%	-3,6%	-2,8%	-3,4%
	Trend in real **en route** UCs/DUCs (in €$_{2009}$ prices) %n/n-1		-3,7%	-3,0%	-1,5%	-0,5%	-1,8%	-6,0%	-5,5%	-2,1%	-1,7%	-2,8%					

Description of the consistency between local and Union-wide targets	The expected improvement in cost-efficiency in Union-wide area should provide a reduction in determined unit costs by 3,3 % per year over the RP2. The baseline value of EUR 58,09 in EUR 2009 prices is higher than the Union-wide performance target of EUR 53,92 in EUR 2009 set for 2014, because the projected traffic volume for 2014 is lower than originally assumed. For Lithuania, the baseline value is EUR 44,77 in EUR 2009 prices, just slightly higher than the Lithuanian performance target of EUR 44,23 in EUR 2009 prices set for 2014 due to lowered the latest TSUs forecast and slightly increased costs including those of Eurocontrol. The expected improvement will provide a reduction in determined unit costs by 3,6 % over the RP2. Taking also in mind that Lithuania's determined unit costs is obviously lower than Union-wide determined unit cost, Lithuania's proposal should be considered as being in line with and adequately contributing to the achievement of the Union-wide performance target.

B - Inflation assumptions

Lithuania	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Inflation %				3,20%	1,20%	0,93%	1,66%	2,23%	2,55%	2,23%	2,23%
Inflation index (2012=100)				100,00	101,20	102,14	103,84	106,16	108,87	111,30	113,79
Eurostat HICP (actuals) and IMF CPI (forecasts)				3,20%	1,20%	0,97%	1,76%	1,97%	2,20%	2,23%	2,23%
Inflation index (2012=100) HICP and IMF				100,00	101,20	102,18	103,98	106,02	108,35	110,77	113,24
Difference in percentage points					0,00	0,00	0,00	0,00	0,00	0,00	0,00
Cumulative difference in percentage points					0,00	0,00	0,00	0,00	0,01	0,01	0,01
Justification and data source in case of deviation from inflation references				Inflation forecast applied for the calculation of determined unit costs for the period of 2014-2019 was based on this combined calculation: - firstly, average inflation value was counted taking into account the projections available of official Lithuanian institutions (Ministry of Finance, Central Bank of Lithuania) and commercial bank SEB; - then a final value was obtained as an average between the figure of the above-mentioned calculation and the forecasted inflation by the International Monetary Fund (IMF, April,2014).								

C - Service Units forecast for en route

	Lithuania	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
	Total **en route** service units (TSU)				429.631	450.551	464.778	490.928	508.601	524.877	541.672	559.548
	Year on Year variation TSU					4,9%	3,2%	5,6%	3,6%	3,2%	3,2%	3,3%
Baseline	STATFOR **en route** service units forecast (Baseline scenario)				429.631	450.551	473.231	497.085	515.159	531.569	548.575	566.874
Baseline	Year on Year variation TSU STATFOR					4,9%	5,0%	5,0%	3,6%	3,2%	3,2%	3,3%
Baseline	Difference in percentage points					0,00	-0,02	0,01	0,00	0,00	0,00	0,00
Baseline	Cumulative difference in percentage points					0,00	-0,02	-0,01	-0,01	-0,01	-0,01	-0,01
Low	STATFOR **en route** service units forecast (Low scenario)				429.631	450.551	461.888	476.062	481.799	488.792	496.477	504.493
Low	Year on Year variation TSU STATFOR					4,9%	2,5%	3,1%	1,2%	1,5%	1,6%	1,6%
Low	Difference in percentage points					0,00	0,01	0,03	0,02	0,02	0,02	0,02
Low	Cumulative difference in percentage points					0,00	0,01	0,03	0,06	0,07	0,09	0,11
	Explanation of the differences (if any), justification, rationale and source				The traffic forecast was based on the base line percentage growth scenario of Eurocontrol Seven-Year Forecast (NM, February 2014) starting with the latest STATFOR forecast for 2014-2015 provided in May.							

D - Alert thresholds (en route service units)

Lithuania	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Local thresholds							10%	10%	10%	10%	10%
Local thresholds set by the European Commission							10%	10%	10%	10%	10%
Detailed justification in case of deviation				A deviation over a calendar year by 10 % of the actual traffic recorded by the Performance Review Body versus the traffic forecasts.							

IMPORTANT NOTE

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

1. In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):

- The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;:
- The entries and justification requiring data from external sources i.e.
  - The traffic forecast used and, if applicable, their justification against STATFOR
  - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
- The local alert thresholds, if any, and their justification.
- A presentation of the consolidation of the targets at FAB level.

2. In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities…), as follows:
- The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
- The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation,.

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

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

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

in PLN

	Poland	Historical data (actual 2009-2013, latest 2014 forecast)						RP2 Performance Plan					RP1 PP	Average pct variation p.a.			
		2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D	2014 D	2009A-2019D	2014F-2019D	2011A-2019D	2014D-2019D
[illegible]	Total en route actual/forecast/determined costs in nominal terms (in national currency)	458.379.158	469.347.371	525.295.619	586.510.682	577.250.097	636.806.762	658.592.342	687.375.337	713.570.963	730.747.925	749.146.920	660.703.387	5,0%	3,3%	4,5%	2,5%
	Inflation %		2,70%	3,90%	3,70%	0,80%	1,46%	2,38%	2,50%	2,50%	2,50%	2,50%					
	Inflation index (Base = 100 in 2012)	90,37	92,81	96,43	100,00	100,80	102,27	104,70	107,32	110,00	112,75	115,57	104,5	2,5%	2,5%	2,3%	2,0%
	Total en route actual/forecast/determined costs in real terms (in national currency at 2012 prices)	507.212.106	505.695.039	544.731.556	586.510.682	572.668.747	622.674.151	629.036.625	640.515.046	648.707.164	648.119.742	648.232.487	632.090.344	2,5%	0,8%	2,2%	0,5%
	Total en route Service Units (TSU)	3.092.271	3.312.823	3.676.460	3.854.458	3.983.698	4.172.564	4.362.840	4.544.000	4.699.000	4.861.000	5.039.000	4.161.000	5,0%	3,8%	4,0%	3,9%
	Real en route UCs/DUCs (in national currency at 2012 prices)	164,03	152,65	148,17	152,16	143,75	149,23	144,18	140,96	138,05	133,33	128,64	151,91	-2,4%	-2,9%	-1,8%	-3,3%
€2012 prices	2012 average exchange rate (1EUR=)	4,1792	4,1792	4,1792	4,1792	4,1792	4,1792	4,1792	4,1792	4,1792	4,1792	4,1792	4,1792				
	Total **en route** costs in real terms (in €$_{2012}$ prices)	121.365.837	121.002.833	130.343.500	140.340.420	137.028.318	148.993.623	150.516.038	153.262.597	155.222.809	155.082.251	155.109.228	151.246.732	2,5%	0,8%	2,2%	0,5%
	Trend in total **en route** costs in real terms %n/n-1		-0,3%	7,7%	7,7%	-2,4%	8,7%	1,0%	1,8%	1,3%	-0,1%	0,0%					
	Real **en route** UCs/DUCs (in €$_{2012}$ prices)	39,25	36,53	35,45	36,41	34,40	35,71	34,50	33,73	33,03	31,90	30,78	36,35	-2,4%	-2,9%	-1,8%	-3,3%
	Trend in real **en route** UCs/DUCs (in €$_{2012}$ prices) %n/n-1		-6,9%	-2,9%	2,7%	-5,5%	3,8%	-3,4%	-2,2%	-2,1%	-3,4%	-3,5%					
€2009 prices	Inflation index (Base = 100 in 2009)	100,00	102,70	106,71	110,65	111,54	113,16	115,85	118,75	121,72	124,76	127,88	115,66				
	2009 average exchange rate (1EUR=)	4,32383	4,32383	4,32383	4,32383	4,32383	4,32383	4,32383	4,32383	4,32383	4,32383	4,32383	4,32383				
	Total **en route** costs in real terms (in €$_{2009}$ prices)	106.012.299	105.695.217	113.854.232	122.586.478	119.693.378	130.144.998	131.474.817	133.873.919	135.586.152	135.463.375	135.486.940	132.113.074	2,5%	0,8%	2,2%	0,5%
	Trend in total **en route** costs in real terms %n/n-1		-0,3%	7,7%	7,7%	-2,4%	8,7%	1,0%	1,8%	1,3%	-0,1%	0,0%					
	Real **en route** UCs/DUCs (in €$_{2009}$ prices)	34,28	31,90	30,97	31,80	30,05	31,19	30,14	29,46	28,85	27,87	26,89	31,75	-2,4%	-2,9%	-1,8%	-3,3%
	Trend in real **en route** UCs/DUCs (in €$_{2009}$ prices) %n/n-1		-6,9%	-2,9%	2,7%	-5,5%	3,8%	-3,4%	-2,2%	-2,1%	-3,4%	-3,5%					

Description of the consistency between local and Union-wide targets	DUC shall decrease over the whole RP2. In order to establish local target that is consistent with EU-wide target the cost of capital has been decreased significantly as comapred to the level allowed under the charging scheme. It has to be underlined that also for 2014D the level of RoE is very low - therefore the increase in costs in RP2 vs. 2014 has to be analysed taking into account the fact that 2014D costs should be much higher if "normal" RoE is applied. Poland currently has one of the lowest ER UR in the whole area covered by performance scheme and further reduction beyong the proposed local target are not possible. Its UR is the lowest among comparator group. This element should be taken into account during assessment of local target, in accordance with Declaration of the SSC following the adoption of Union-wide performance targets for RP2 adopted durin the SSC in February 2014.

B - Inflation assumptions

Poland	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Inflation %				3,70%	0,80%	1,46%	2,38%	2,50%	2,50%	2,50%	2,50%
Inflation index (2012=100)				100,00	100,80	102,27	104,70	107,32	110,00	112,75	115,57
Eurostat HICP (actuals) and IMF CPI (forecasts)				3,70%	0,80%	1,46%	2,38%	2,50%	2,50%	2,50%	2,50%
Inflation index (2012=100) HICP and IMF				100,00	100,80	102,27	104,70	107,32	110,00	112,75	115,57
Difference in percentage points					0,00	0,00	0,00	0,00	0,00	0,00	0,00
Cumulative difference in percentage points					0,00	0,00	0,00	0,00	0,00	0,00	0,00
Justification and data source in case of deviation from inflation references											

C - Service Units forecast for en route

	Poland	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
	Total **en route** service units (TSU)				3.854.458	3.983.698	4.172.564	4.362.840	4.544.000	4.699.000	4.861.000	5.039.000
	Year on Year variation TSU					3,4%	4,7%	4,6%	4,2%	3,4%	3,4%	3,7%
Baseline	STATFOR **en route** service units forecast (Baseline scenario)				3.854.458	3.983.698	4.172.564	4.362.840	4.543.520	4.698.511	4.861.176	5.039.315
Baseline	Year on Year variation TSU STATFOR					3,4%	4,7%	4,6%	4,1%	3,4%	3,5%	3,7%
Baseline	Difference in percentage points					0,00	0,00	0,00	0,00	0,00	0,00	0,00
Baseline	Cumulative difference in percentage points					0,00	0,00	0,00	0,00	0,00	0,00	0,00
Low	STATFOR **en route** service units forecast (Low scenario)				3.854.458	3.983.698	4.128.369	4.271.291	4.344.013	4.414.268	4.492.509	4.574.666
Low	Year on Year variation TSU STATFOR					3,4%	3,6%	3,5%	1,7%	1,6%	1,8%	1,8%
Low	Difference in percentage points					0,00	0,01	0,01	0,02	0,02	0,02	0,02
Low	Cumulative difference in percentage points					0,00	0,01	0,02	0,05	0,06	0,08	0,10
	Explanation of the differences (if any), justification, rationale and source											

D - Alert thresholds (en route service units)

Poland	2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D
Local thresholds							10%	10%	10%	10%	10%
Local thresholds set by the European Commission							10%	10%	10%	10%	10%
Local tresholds - execution of investment plan above ...% that results from investments unforseable at the time of adopting this performance plan and reguired by law or by pan-European plans							85%	85%	85%	85%	85%

Detailed justification in case of deviation		It is proposed to adopt additional alert treshold concerning realization of investment plan. It is justified by the fact that RP2 is a quite long period of time and there are ongoing discussions concerning some projects related to e.g. SESAR that might become mandatory to be implemented still in RP2 and which cannot be in detail foreseen in 2014. It is also justified by the fact that following comments received from stakeholders, especially airspace users, it was decided for the purpose of determining costs for RP2 that for planning of depreciation and asset base only 85% of investment plan for RP2 is taken into account. In order to enable PANSA to finance new investment projects in RP2 that cannon be foreseen in June 2014 and are not included in its investment plan for RP2 and that might become mandatory in RP2 it was decided that additional treshold will be implemented. The value of 85% shall be understood as a cumulative value for years of RP2 preceeding year when the treshold can be activated (eg. for 2017 the % will be calculated as execution of investment plan in 2015+2016+2017).

IMPORTANT NOTE

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

1. In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
   - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;:
   - The entries and justification requiring data from external sources i.e.
     - The traffic forecast used and, if applicable, their justification against STATFOR
     - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
   - The local alert thresholds, if any, and their justification.
   - A presentation of the consolidation of the targets at FAB level.

2. In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities…), as follows:
   - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
   - The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation,.

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

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

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

		Historical data (actual 2009-2013, latest 2014 forecast)						RP2 Performance Plan					RP1 PP	Average percentage variation per annum			
		2009 A	2010 A	2011 A	2012 A	2013 A	2014 F	2015 D	2016 D	2017 D	2018 D	2019 D	2014 D	2009A-2019D	2014F-2019D	2011A-2019D	2014D-2019D
€2012 prices	Total en route Service Units (TSU)	3.433.518	3.683.646	4.096.381	4.284.089	4.434.249	4.637.342	4.853.768	5.052.601	5.223.877	5.402.672	5.598.548	4.628.097	5,0%	3,8%	4,0%	3,9%
	Trend in Total en route Service Units (TSU)%n/n-1		7,28%	11,20%	4,58%	3,51%	4,58%	4,67%	4,10%	3,39%	3,42%	3,63%					
	Total en route costs in real terms (in €$_{2012}$ prices)	139.837.773	140.340.337	151.591.538	161.751.072	159.359.828	171.615.433	172.981.551	175.261.389	177.451.153	177.639.839	177.749.999	173.705.719	2,4%	0,7%	2,0%	0,5%
	Trend in total en route costs in real terms (in €$_{2012}$ prices) %n/n-1		0,36%	8,02%	6,70%	-1,48%	7,69%	0,80%	1,32%	1,25%	0,11%	0,06%					
	Real en route UCs/DUCs (in €$_{2012}$ prices)	40,73	38,10	37,01	37,76	35,94	37,01	35,64	34,69	33,97	32,88	31,75	37,53	-2,5%	-3,0%	-1,9%	-3,3%
	Trend in real en route UCs/DUCs (in €$_{2012}$ prices)%n/n-1		-6,46%	-2,87%	2,03%	-4,81%	2,97%	-3,70%	-2,67%	-2,07%	-3,21%	-3,44%					
€2009 prices	Total en route costs in real terms (in €$_{2009}$ prices)	123.004.635	123.483.789	133.400.304	142.282.139	140.236.136	150.954.802	152.140.844	154.110.610	156.034.008	156.214.103	156.314.187	152.773.097	2,4%	0,7%	2,0%	0,5%
	Trend in total en route costs in real terms (in €$_{2009}$ prices) %n/n-1		0,39%	8,03%	6,66%	-1,44%	7,64%	0,79%	1,29%	1,25%	0,12%	0,06%					
	Real en route UCs/DUCs (in €$_{2009}$ prices)	35,82	33,52	32,57	33,21	31,63	32,55	31,34	30,50	29,87	28,91	27,92	33,01	-2,5%	-3,0%	-1,9%	-3,3%
	Trend in real en route UCs/DUCs (in €$_{2009}$ prices)%n/n-1		-6,43%	-2,85%	1,98%	-4,78%	2,93%	-3,71%	-2,69%	-2,07%	-3,20%	-3,44%					

Description of benefits and synergies achieved at functional airspace block level

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

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

in LTL

	Lithuania	RP2 Performance Plan 2015 D	2016 D	2017 D	2018 D	2019 D	Avg pct var p.a. 2015D-2019D
	Total terminal determined costs in nominal terms (in national currency)	17.528.100	17.747.946	17.804.856	18.362.903	18.747.675	1,7%
	Inflation %	1,66%	2,23%	2,55%	2,23%	2,23%	
	Inflation index (Base = 100 in 2012)	103,84	106,16	108,87	111,30	113,79	2,3%
	Total terminal determined costs in real terms (in national currency at 2012 prices)	16.879.310	16.717.794	16.354.603	16.498.617	16.476.245	-0,6%
	Total terminal Service Units (TSU) used for the determined unit cost	23.873	24.589	25.498	26.569	27.606	3,7%
	Real terminal DUCs (in national currency at 2012 prices)	707,06	679,90	641,40	620,96	596,84	-4,1%
€2012 prices	2012 average exchange rate (1EUR=)	3,45102	3,45102	3,45102	3,45102	3,45102	
	Total terminal determined costs in real terms (in $€_{2012}$ prices)	4.891.107	4.844.305	4.739.064	4.780.794	4.774.312	-0,6%
	Trend in total terminal determined costs in real terms %n/n-1		-1,0%	-2,2%	0,9%	-0,1%	
	Real terminal DUCs (in $€_{2012}$ prices)	204,88	197,01	185,86	179,94	172,95	-4,1%
	Trend in real terminal DUCs (in $€_{2012}$ prices) %n/n-1		-3,8%	-5,7%	-3,2%	-3,9%	
€2009 prices	Inflation index (Base = 100 in 2009)	112,90	115,42	118,36	121,01	123,71	
	2009 average exchange rate (1EUR=)	3,45061	3,45061	3,45061	3,45061	3,45061	
	Total terminal determined costs in real terms (in $€_{2009}$ prices)	4.499.330	4.456.277	4.359.465	4.397.853	4.391.890	-0,6%
	Trend in total terminal determined costs in real terms %n/n-1		-1,0%	-2,2%	0,9%	-0,1%	
	Real terminal DUCs (in $€_{2009}$ prices)	188,47	181,23	170,97	165,52	159,09	-4,1%
	Trend in real terminal DUCs (in $€_{2009}$ prices) %n/n-1		-3,8%	-5,7%	-3,2%	-3,9%	

Description and justification of how the local targets contribute to the performance of the European ATM network	Terminal costs for ANS provision are forecasted to remain fairly constant over RP2 (-0,6% average variation per annum in real terms). Taking in mind this proposal of annual reduction of real terminal DUCs it is obvious that Lithuanian local terminal targets contribute to the performance of European ATM network significantly.

B - Inflation assumptions

Lithuania	2015 D	2016 D	2017 D	2018 D	2019 D
Inflation %	1,66%	2,23%	2,55%	2,23%	2,23%
Inflation index (2012=100)	103,8	106,2	108,9	111,3	113,8
Eurostat HICP (actuals) and IMF CPI (forecasts)	1,76%	1,97%	2,20%	2,23%	2,23%
Inflation index (2012=100) HICP and IMF	103,98	106,02	108,35	110,77	113,24
Difference in percentage points		0,00	0,00	0,00	0,00
Cumulative difference in percentage points		0,00	0,01	0,01	0,01
Justification and data source in case of deviation from inflation references	Inflation forecast applied for the calculation of determined unit costs for the period of 2015-2019 was based on the combined calculation: - firstly, average inflation value was counted taking into account the projections available of official Lithuanian institutions (Ministry of Finance, Central Bank of Lithuania) and commercial bank SEB; - then a final value was obtained as an average between the figure of the above-mentioned calculation and the forecasted inflation by the International Monetary Fund (IMF, April, 2014).				

C - Service Units forecast for terminal

Lithuania	2015 D	2016 D	2017 D	2018 D	2019 D
Total terminal service units (TNSU)	23.873	24.589	25.498	26.569	27.606
Year on Year variation TNSU		3,0%	3,7%	4,2%	3,9%
STATFOR terminal service units forecast (Baseline scenario)	24.811	26.542	28.381	29.892	31.618
Year on Year variation TNSU STATFOR		7,0%	6,9%	5,3%	5,8%
Difference in percentage		-0,04	-0,03	-0,01	-0,02

Cumulative difference in percentage		-0,07	-0,10	-0,11	-0,13
Explanation of the differences (if any), justification, rationale and source	The traffic forecast is based on Eurocontrol Seven-Year Forecast (February 2014) taking the low case forecast scenario. This case was chosen considering the better locally known political and economic conditions, operational capabilities of certified carriers, their supervision and previous history in actual TSUs - the base line forecast was over optimistic for Lithuania.				

D - Alert thresholds (terminal service units)

Lithuania	2015 D	2016 D	2017 D	2018 D	2019 D
Local thresholds	10%	10%	10%	10%	10%
Local thresholds set by the European Commission	10%	10%	10%	10%	10%
Detailed justification in case of deviation	A deviation over a calendar year by 10 % of the actual traffic recorded by the Performance Review Body versus the traffic forecasts.				

IMPORTANT NOTE

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

1. In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
   - The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;:
   - The entries and justification requiring data from external sources i.e.
     - The traffic forecast used and, if applicable, their justification against STATFOR
     - The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
   - The local alert thresholds, if any, and their justification.
   - A presentation of the consolidation of the targets at FAB level.

2. In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities…), as follows:
   - The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
   - The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation,.

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

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

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

in PLN

	Poland	RP2 Performance Plan 2015 D	2016 D	2017 D	2018 D	2019 D	Avg pct var p.a. 2015D-2019D
	Total terminal determined costs in nominal terms (in national currency)	130.300.488	136.040.963	141.050.737	144.523.175	148.260.900	3,3%
	Inflation %	2,38%	2,50%	2,50%	2,50%	2,50%	
	Inflation index (Base = 100 in 2012)	104,70	107,32	110,00	112,75	115,57	2,5%
	Total terminal determined costs in real terms (in national currency at 2012 prices)	124.452.980	126.766.672	128.229.186	128.181.442	128.289.298	0,8%
	Total terminal Service Units (TSU) used for the determined unit cost	159.800	169.700	181.300	192.700	204.100	6,3%
	Real terminal DUCs (in national currency at 2012 prices)	778,80	747,00	707,28	665,19	628,56	-5,2%
€2012 prices	2012 average exchange rate (1EUR=)	4,1792	4,1792	4,1792	4,1792	4,1792	
€2012 prices	Total terminal determined costs in real terms (in $€_{2012}$ prices)	29.779.139	30.332.760	30.682.711	30.671.287	30.697.095	0,8%
€2012 prices	Trend in total terminal determined costs in real terms %n/n-1		1,9%	1,2%	0,0%	0,1%	
€2012 prices	Real terminal DUCs (in $€_{2012}$ prices)	186,35	178,74	169,24	159,17	150,40	-5,2%
€2012 prices	Trend in real terminal DUCs (in $€_{2012}$ prices) %n/n-1		-4,1%	-5,3%	-6,0%	-5,5%	
€2009 prices	Inflation index (Base = 100 in 2009)	115,85	118,75	121,72	124,76	127,88	
€2009 prices	2009 average exchange rate (1EUR=)	4,32383	4,32383	4,32383	4,32383	4,32383	
€2009 prices	Total terminal determined costs in real terms (in $€_{2009}$ prices)	26.011.892	26.495.476	26.801.156	26.791.177	26.813.720	0,8%
€2009 prices	Trend in total terminal determined costs in real terms %n/n-1		1,9%	1,2%	0,0%	0,1%	
€2009 prices	Real terminal DUCs (in $€_{2009}$ prices)	162,78	156,13	147,83	139,03	131,38	-5,2%
€2009 prices	Trend in real terminal DUCs (in $€_{2009}$ prices) %n/n-1		-4,1%	-5,3%	-6,0%	-5,5%	

Description and justification of how the local targets contribute to the performance of the European ATM network	Evolution of terminal determined costs reflects evolution of en-route costs. Terminal DUC shall systematically decrease over the whole RP2. Evolution of terminal costs between 2014 and 2015 is also impacted by addition of one more airport (Radom) which should become operational in 2014. From 2017 it is proposed to establish two terminal charging zones in Poland, the first one comprising Warsaw airport, the second comprising all other airports (13). For further information see TNC Additional Information 1 point a) and TNC Additional Information 2 point a), as well TNC reporting tables from Annex C for Poland.

B - Inflation assumptions

Poland	2015 D	2016 D	2017 D	2018 D	2019 D
Inflation %	2,38%	2,50%	2,50%	2,50%	2,50%
Inflation index (2012=100)	104,7	107,3	110,0	112,7	115,6
Eurostat HICP (actuals) and IMF CPI (forecasts)	2,38%	2,50%	2,50%	2,50%	2,50%
Inflation index (2012=100) HICP and IMF	104,70	107,32	110,00	112,75	115,57
Difference in percentage points		0,00	0,00	0,00	0,00
Cumulative difference in percentage points		0,00	0,00	0,00	0,00
Justification and data source in case of deviation from inflation references					

C - Service Units forecast for terminal

Poland	2015 D	2016 D	2017 D	2018 D	2019 D
Total terminal service units (TNSU)	159.800	169.700	181.300	192.700	204.100
Year on Year variation TNSU		6,2%	6,8%	6,3%	5,9%
STATFOR terminal service units forecast (Baseline scenario)	159.784	169.659	181.298	192.717	204.083
Year on Year variation TNSU STATFOR		6,2%	6,9%	6,3%	5,9%
Difference in percentage		0,00	0,00	0,00	0,00
Cumulative difference in percentage		0,00	0,00	0,00	0,00

Explanation of the differences (if any), justification, rationale and source	

D - Alert thresholds (terminal service units)

Poland	2015 D	2016 D	2017 D	2018 D	2019 D
Local thresholds	10%	10%	10%	10%	10%
Local thresholds set by the European Commission	10%	10%	10%	10%	10%
Local tresholds - execution of investment plan above …% that results from investments unforseeable at the time of adopting this performance plan and reguired by law or by pan-European plans	85%	85%	85%	85%	85%
Detailed justification in case of deviation	It is proposed to adopt additional alert treshold concerning realization of investment plan. It is justified by the fact that RP2 is a quite long period of time and there are ongoing discussions concerning some projects related to e.g. SESAR that might become mandatory to be implemented still in RP2 and which cannot be in detail foreseen in 2014. It is also justified by the fact that following comments received from stakeholders, especially airspace users, it was decided for the purpose of determining costs for RP2 that for planning of depreciation and asset base only 85% of investment plan for RP2 is taken into account. In order to enable PANSA to finance new investment projects in RP2 that cannon be foreseen in June 2014 and are not included in its investment plan for RP2 and that might become mandatory in RP2 it was decided that additional treshold will be implemented. The value of 85% shall be understood as a cumulative value for years of RP2 preceeding year when the treshold can be activated (eg. for 2017 the % will be calculated as execution of investment plan in 2015+2016+2017).				

IMPORTANT NOTE

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

1. In the body of the performance plan document, the information to be presented at charging zone level (some of the data requested being pre-filled by the PRB):
   - •The targets with a description of the contribution to, and consistency with, the EU-wide target and/or their contribution to the performance of the European ATM network;:
   - •The entries and justification requiring data from external sources i.e.
     - ○The traffic forecast used and, if applicable, their justification against STATFOR
     - ○The inflation assumptions used and, if applicable, their justification against Eurostat/ IMF.
   - •The local alert thresholds, if any, and their justification.
   - •A presentation of the consolidation of the targets at FAB level.

2. In Annex C, the information needed at the level of the entities submitted to the performance scheme within the charging zones (ANSPs including MET providers, National authorities…), as follows:
   - •The data and justifications in the reporting tables and additional information, as per Annexes II, III, VI and VII of the charging Regulation, at entity level plus a consolidation at charging zone level;
   - •The data and justifications relating to cost-efficiency required at entity level for the purpose of the Performance Plans, as per Article 11 (3) and Annexes II and IV of the performance Regulation,.

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

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

This section has been integrated within each individual KPI.

3.3 - Description of KPAs interdependencies and trade-offs

Lithuania provides sufficient level of capacity (no delays occurred in past activities). At the same time Lithuania contributes to the Union-wide target in cost-efficiency and proposes as much as possible direct routes. As safety is the main driver in cost efficiency, it can not be compromised by even more challenging cost-efficiency KPI.

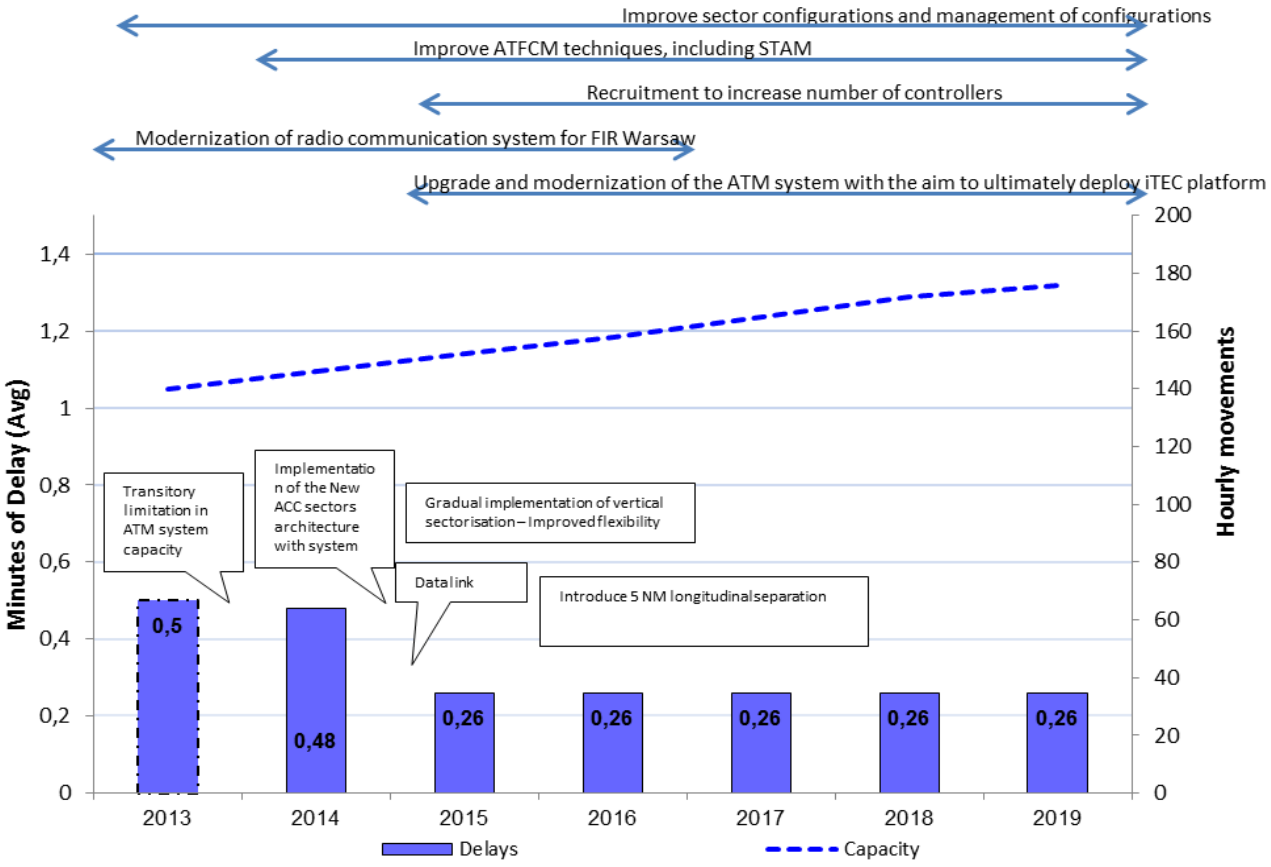
Poland

Interdependencies between Key Performance Areas are crucial for the assessment of the overall performance of air navigation services and their providers. Changes in one area should not be assessed without reviewing changes in the other.

However, it is crucial to remember that the findings of the Interdependencies Study requested by the European Commission and launched by the SJU have highlighted the difficulties and huge complexity of defining and understanding the relationships and the data needed to define an ATM Performance Model suitable to clearly show the consistency between EU-wide and local targets as well as the trade-offs among the KPAs. It has been stated that it is not possible to generate a full equation-based model to represent the interactions between all Key Performance Indicators (KPIs) and Key Performance Areas (KPAs) from the data available. Moreover, the version of the SJU probabilistic model does not include safety KPA in its scope.

The relationship between various areas has to be assessed especially with regard to PANSA.

Since there is no simple, transparent and pragmatic model to assess the interdependencies among the KPAs, for PANSA the relation between main investment projects and activities in the period 2015-2019, which have influence on the four main KPAs, mostly on capacity, was illustrated (see graph below).



This plan assumes that PANSA will improve efficiency in all the four KPAs, namely: improve service quality by reducing delays, optimize costs of ATM/CNS provision, contribute to horizontal flight efficiency as well as to other aspects of the environment, and on the top of that, ensure ANS safety. Safety is the top priority and should never be compromised.
It has to be stressed that PANSA needs to invest in the infrastructure (capex) and human resources (staff costs) in order to achieve required safety level, suitable capacity and environmental benefits.
In a certain respect there is a trade-off between financial cost-efficiency and the quality of service provided by an ANSP. Major infrastructure investment projects are undertaken to boost capacity and maintain high level safety standards which usually generates additional capital related costs. The graph above shows the major investments and activities related to the reduction and then maintaining the low level of the delays per flight with increasing capacity (hourly movements) and traffic growth since 2013.
It is important to note that PANSA has already made a huge improvement on the decrease of delays in the past years thanks to the extended activities and investments (new ATM system Pegasus_21). The launch of the new ATM system in November 2013 was an important and necessary step towards providing a safe, smooth and efficient air traffic control in FIR Warszawa. During the transition period capacity had to be reduced starting with 35% and then gradually recovered over 6 months. The performance in 2014 will be impacted by the implementation of the new ATM system which was the condition for the vertical sectors split.
In the coming years of the RP2 it is assumed that PANSA will continue its efforts to be performance based ANSP in the most operationally and cost efficient way.

3.4 - Contribution of each air navigation service provider

PANSA

Environment

Due to DCT development in the years 2011-2013, the horizontal flight extension in FIR EPWW nearly equals shortest track (from entry point to exit point within FIR EPWW). Implementation of DCT contributed in 2013 largely to our customers' cost savings and added up to over 383 thousand dollars.

Impact of DCT on airlines costs and fuel burn savings in 2013: distance reduction (NM) 60 856,1; fuel burn savings (tonnes) 426; cost savings ($) 383 383,43; reduction of CO2 (tonnes) 1 339. In order to further optimize routes, ultimately at FAB level, a new package of routes proposals has been elaborated, agreed and eventually undergone a real-time simulation. Expected benefits include among others: increase ACC capacity in Baltic FAB, reduce of traffic complexity and ACC ATCOs workload. The above-mentioned project is tightly linked with an implementation of ACC vertical split in FIR EPWW, which is scheduled for 2015. The presented benefits are determined by good cooperation with Kaliningrad Oblast. In order to further optimize flight efficiency, a strengthened collaboration with other FABs and Russian Federation on development of AWY/DCT and in future on FRA Like/FRA is of key importance. This is true in particular for Kaliningrad FIR. New AWYs in Kaliningrad FIR together with new AWY/DCT within Baltic FAB will be key enabler for further reduction of track extension.

Free Route Airspace

Potential further improvements in terms of en-route horizontal flight efficiency might be achieved through a development of Free Route Airspace concept which is supposed to accelerate as soon as ACC vertical split in FIR EPWW is implemented. FRA Like/FRA implementation in upper ACC sectors (TOP) is scheduled for end 2015 while its launch in MID sectors (planned in 2017) is determined by the results of a real-time simulation.

In the context of Baltic FAB, free route operations are foreseen as andevelopment of the existing DCT route network initially based on the utilization of the COPs (Co-Ordination Points) in each ACC. An extension of free route airspace on a H24 basis in complex portions of airspace will be a further evolution of free route application with the support of ATC system capabilities.

The implementation of uniform FRA within upper airspace of the Baltic FAB will be accomplished in phases. The first phase consists of a number of designated DCTs, available during the night time due to less traffic volume, sectors can be unified and the overall air traffic controller's workload is lower. The next phase is the implementation of FRA within the upper airspace of the Baltic FAB. However, the relatively short border between both FIRs poses a real limitation to FRA implementation within Baltic FAB since majority of flights from entry to exit point cross FIR Kaliningrad.

Improving airspace utilization (FAB implementation program)

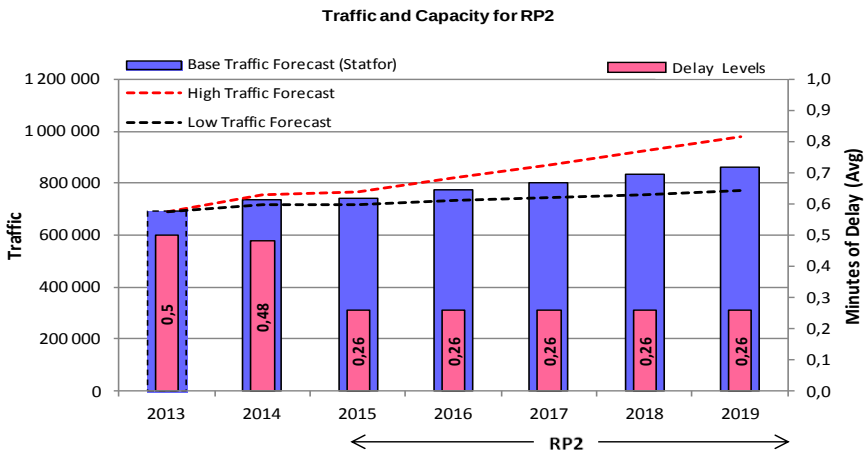
In relation to pre-tactical and tactical airspace management aspects (Flexible Use of Airspace, FUA level 2&3) related to Baltic FAB, there is currently neither joint nor lead Airspace Management Cell. The AMC function enriched with certain ATFCM functions (i.e. ACC sectors capacity scenarios) within the FAB could be realized in future by the joint AMC.

Pre-tactical airspace management coordination within the Baltic FAB will be activated with the aim to identify solutions for efficient use of the airspace within the entire FAB area of application. Specifically, the process is aimed at identifying the most appropriate use of the Baltic FAB airspace by balancing requests of different users and/or different categories of users.

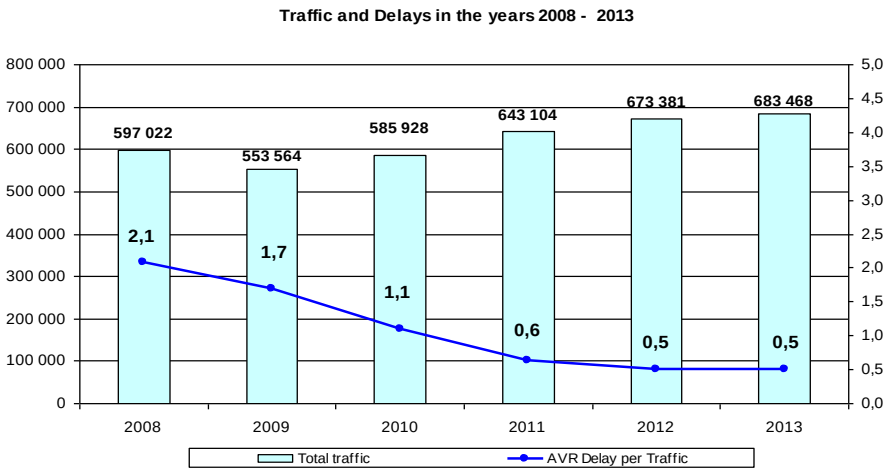
At a tactical airspace management level joint AMC will ensure that all of the coordination procedures are put in place to optimize the trade-off between civil and military requirements. Joint AMC will be responsible for real-time activation, deactivation or reallocation of airspace allocated at pre-tactical level as well as the distributing this information through a common Updated Airspace Use Plan (UUP) at a FAB level. In order to ensure such processes, adequate supporting systems allowing for management of the whole Baltic FAB airspace from the FAB perspective, to share the current status of the airspace among all the appropriate stakeholders and to ensure seamless and flexible operations within Baltic FAB and across its boundaries are used. Also, in order to ensure better coordination at inter-FAB level, there are plans to use common software systems, which is seen as one of the qualitative steps forward in this area.

Capacity KPI #1: En route ATFM delay per flight

PANSA shall decrease delays in 2015 to a level of 0.26 minutes per flight and to at least maintain this value in subsequent years of the reference period. This target will be achieved by providing such capacity, which offset the expected increase in traffic. PANSA, recognizing this very ambitious target, will try to contribute through appropriate measures to the achievement of the Union -wide target.



It is important to emphasize the results which Agency has achieved in the area of capacity in previous years. Beginning from 2008, thanks to a multipronged action (e.g. enabling dynamic capacities management) and a significant commitment, Agency was able to reduce the level of delays, and in the most of that period it has been done with the increasing traffic, as illustrated in the chart below.



The period between November 2013 and the end of 2014 is a transitional period for Agency, in which the process of achieving the target capacity of the new system will take place. Particularly important in this period was the launch of operational air traffic control system P_21 late 2013, a smooth transition from the previous air traffic management system to the new one and, consequently, the fulfillment of a basic condition for the introduction at the end of the 2014 of a vertical sectors split. It will result in the removal of the main obstacles for constant, structural reduction of air traffic delays. The next steps of the vertical split will aim at balancing the increasing demand in traffic. Due to postponed introduction of P_21 it will be difficult to achieve 0.48 min/flight in 2014, mainly due to expected delays in the summer. Starting from 2015 PANSA expects the delays at constant level of 0.26 min/flight while predicting at the same time a significant increase of traffic. Key factors affecting the operational efficiency in the area of "Capacity" and influencing the reduction of delays in RP2 are the development of airspace structures and route network conditioned by the degree of development of the CNS/ATM systems and ATS personnel availability. A key role in this areas will play in the short and medium term implementation of new air traffic management system and the implementation of the vertical split of airspace. Agency aims at optimizing the capacity of airspace in accordance with needs of all users, including the adjustment of working hours of individual ACC sectors to air traffic volumes. Achieving the required airspace capacity is also depending on the effectiveness of measures aimed at minimizing the PANSA staff shortages (especially in the group of air traffic controllers) and the maintenance and development of the qualifications of the operational staff.

ACC Warsaw	2014	2015		2016		2017		2018		2019	
	manpower	change	manpower	change	manpower	change	manpower	change	manpower	change	manpower
ATCO	135	9 (7%)	144	18 (6%)	162	20 (12%)	182	10 (5%)	192	8 (4%)	200

Source: PANSA forecast on ATCO employment 2015 - 2019 approved by PANSA Senior management in Jan 2014

Considering the CNS/ATM systems and equipment the maintenance of the declared capacity is supported mainly by replacement investments, guaranteeing uninterrupted functioning of infrastructure used by air traffic services. At the same time effort will be directed to raise the level of technology and functionality of the ATM system and the development of CNS/ATM infrastructure. One of the most important investments will be simulator for the purposes of the vertical split, thanks to which PANSA will get ready for the first stage of the vertical split, what will bring a significant reduction in delays starting from 2015.

Vertical split as a key enabler for future capacity gains

PANSA is among few ANSPs in the current ECAC community with no vertical sector split. The Polish Airspace Project 2010+ is a project currently being carried out by PANSA with the aim to develop proposals for the implementation of a new airspace structure where control sectors will be divided by both vertical and horizontal boundaries.

Based on a network and operation-oriented approach, the objective of the Polish Airspace Project 2010+ is to develop an ATS route network structure to accommodate major traffic flows including terminal connectivity and define a new sectorisation with vertical splits adapted to the proposed route network structure within Warsaw FIR.

The study undertaken indicates that the proposed airspace structure with a vertical sector split is able to accommodate all major traffic flows on the most optimum way while balancing flight efficiency and capacity, considering traffic demand. The developed structure provides a flexible sectorisation that can be adjusted according to traffic demand and as a consequence increases the overall capacity within Warsaw FIR by balancing traffic and controller workload.

Now that the new ATM system PEGASUS_21 has been successfully deployed (the new system was a prerequisite for the new airspace structure), the vertical split paves the way for further delays reduction in the Polish airspace since this is the key element for delivering an additional capacity, while improving flight efficiency and maintaining or improving safety of operations.

On top of the vertical split, the following activities will be taken by PANSA in order to improve capacity

Demand Capacity Balancing: Short-term ATFCM Measures ATFCM (STAM)

STAM phase 1 initial deployment will address the use of occupancy counts for the monitoring of sector configuration instead of entry counts, as well as of procedures for manual implementation of STAM measures and relevant training. The implementation of such measures in terms of flight level capping and minor re-routings applied to a limited number of flights can reduce the complexity of anticipated traffic peaks enabling network benefits.

STAM does not add new physical capacity, but simply allows for a better utilization of existing capacity which makes it an important contributor to achieving capacity targets. STAM phase 1 will also contribute somewhat to the safety of ATC operations by the prevention of overloads as well as to KPA cost efficiency through an increase in ATCO productivity.

In accordance with ESSIP objective FCM-04, PANSA has already taken the following actions:

PANSA considered to join STAM Phase 1 after successful launch of the new ATM system (November 2013),

PANSA requested NMC EUROCONTROL to join Mandatory Cherry Pick (Network STAM) trials and has been officially accepted,

PANSA ACC/FMP key staff attended a short familiarization meeting regarding STAM in NMC EUROCONTROL in January 2014,

PANSA introduced STAM trial usage from 16 January 2014.

PANSA reposes a lot of hope in STAM as one of key enablers for capacity gains in the near future.

Polish-Lithuanian activities with the expected dates of the implementation and contribution to the key performance areas

ASM/ATFCM cooperation within Baltic FAB	Dec 2013-Sept 2018	ANSPs
Establishment of a Free Route Airspace within Baltic FAB	Nov 2013- Jun 2017	ANSPs
Harmonization of ANS provision and supervision rules and procedures within Baltic FAB	Dec 2013- Jun 2016	NSAs, ANSPs
Convergence of ATM systems in the Baltic FAB ACCs and Cross Borders Service provision with Joint Contingency Service Provision	Dec 2013-Jun 2019	NSAs, ANSPs
Optimization of ATM/CNS technical infrastructure within Baltic FAB	Dec 2013-Oct 2015	ANSPs
Coordinated AIS provision within Baltic FAB	Dec 2013-Nov 2017	ANSPs
Enhancement of inter-FAB cooperation and cooperation with non-EU countries	Nov 2013-ongoing	ANSPs
Best practice sharing among Baltic FAB stakeholders	Oct 2013-Jan 2019	ANSPs
Optimization of MET service provision model within Baltic FAB	Dec 2013-Oct 2017	NSAs,METs
Search and Rescue (SAR) service coordination within Baltic FAB	Dec 2013-Jan 2018	MoTs, MoDs, ANSPs

SECTION 4: INCENTIVE SCHEMES

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

4 - INCENTIVE SCHEMES

4.1 - Incentive schemes for the environment targets

Number of incentive schemes	2

<Incentive Scheme - Environment - Lithuania>	
Entity being incentivised	*Oro Navigacija, ANSP provider*
KPI description	*Implementation of the free route airspace which will be expanded into intra FAB level from 2016*
Type of incentive	Non financial. If delayed implementation, CAA/NSA will establish corrective action plans with the deadlines and associated measures, considering local circumstances. If the project will be implemented in time, the prestige of Oro navigacija - as of a reliable and well performing services provider - will increase among the other providers; it will be taken as well into consideration in evaluation of the performance level of state enterprises governed by the Ministry of Transport and Communications.
Formula	
Justification	COMMISSION IMPLEMENTING REGULATION (EU) No 390/2013 of 3 May 2013
Description of performance variation levels and the applicable level of bonuses and penalties	
Additional comments	Closer cooperation of NM-NSAs should be developed for the achievement monitoring.

NSAs will perform the audits to ensure that ANSP(s) are committed to deliver the environment target established for RP2. The audit findings will be communicated to ANSPs simultaneously with request for corrective actions. ANSPs shall determine actions deemed necessary to correct nonconformity and the time frame for their implementation. They will be subject to assessment and acceptance by NSA. EC will be informed on the performance plans and targets at least on an annual basis and when there is a risk that performance targets will not be achieved. NSA will not implement financial incentives, the applicable level of bonus and penalties.

<Incentive Scheme - Environment - Lithuania>	
Entity being incentivised	*PANSA, ANSP provider*
KPI description	Implementation of the free route airspace which will be expanded into intra FAB level from 2016
Type of incentive	Non financial.
Formula	NSA will monitor horizontal flight efficiency in Baltic FAB using the NM data on annual basis. The year where these target is not met , PANSA will present corrective action plan. PANSA will report any delay in implementation of the free route airspace which will be the key enabler for reaching the target in environmental KPA.
Justification	COMMISSION IMPLEMENTING REGULATION (EU) No 390/2013 of 3 May 2013
Description of performance variation levels and the applicable level of bonuses and penalties	
Additional comments	

4.1 - Incentive schemes for the capacity targets

Number of incentive schemes	2

<Incentive Scheme - Capacity - Lithuania>	
Entity being incentivised	*Oro Navigacija, ANSP provider*
KPI description	*En route ATFM delay*
Type of incentive	Financial
Formula	*Bonuses or penalties shall be 0,1 / 0,2% of revenue from en route air navigation services*
Justification	Commission Implementing Regulations (EU) No 390/2013 and No 391/2013 of 3 May 2013
Description of performance variation levels and the applicable level of bonuses and penalties	*Bonuses for x=0 min. of delay shall be 0,1% of revenue from en route air navigation services.* *With a dead band for range 0,0<x<=0,1 min. of delay for no bonuses, no penalties.* *Penalties for range 0,1<x<=0,2 min. of delay shall be 0,1% of revenue from en route air navigation services.* *Penalties for x>0,2 min. of delay shall be 0,2% of revenue from en route air navigation services and additionally corrective actions plan shall be submitted to NSA.*
Additional comments	

<Incentive Scheme - Capacity - Poland>	
Entity being incentivised	*PANSA, ANSP provider*
KPI description	*En route ATFM delay*
Type of incentive	Financial
Formula	Bonuses or penalties shall be 0,1% of revenue from en route air navigation services
Justification	COMMISSION IMPLEMENTING REGULATIONS (EU) No 390/2013 and No 391/2013 of 3 May 2013
Description of performance variation levels and the applicable level of bonuses and penalties	*The maximum amount of aggregate bonus and the maximum amount of aggregate penalties shall not exceed 0,1% of the revenue from en-route air navigation services in year n (the year n means the year which is subject of assessment).The incentives shall not be applied in case of deviations ranging from +10% or -20% of the adopted target value over a calendar year.*
Additional comments	Value of delay and related level of incentive for PANSA

Delay value min/flight	**Level of bonus (% of revenue)**
0 - 0,11	0,1
0,11 - 0,14	0,075
0,14 - 0,17	0,05
0,17 - 0,20	0,02
	Level of penality (% of revenue)
0,29 - 0,32	0,01
0,32 - 0,37	0,025
0,37 - 0,42	0,05
0,42 - 0,47	0,075
0,47 - 0,52	0,1
above 0,52	constant level of penality and corrective actionss plan required

4.1 - Incentive schemes for the cost-efficiency targets

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

SECTION 5: MILITARY DIMENSION OF THE PLAN

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

5 - MILITARY DIMENSION OF THE PLAN

The Flexible Use of Airspace (FUA) Concept in FIR Warszawa has been developed at the three Levels of Airspace Management aiming at the Civil/Military co-ordination. In accordance with MoI Regulation of 25th of November 2008, on Polish airspace and detailed conditions of its use, President of Civil Aviation Authority (CAA) is a decision-making person in High Level Airspace Policy Body. ASM Committee as a joined civil-military body plays an advisory role. Strategic Planning Unit of PANSA is a supporting unit responsible for preparing the analyses, proposals and documentation concerning ASM Level 1. President of CAA ensures fair and effective regulation of the airspace organisation and management. Temporary airspace structures and procedures are defined by PANSA, coordinated with Polish Air Forces (PLAF) and eventually approved by President of CAA, if required (restriction longer than 3 months). Strategic Planning Unit (PANSA) is authorized to introduce temporary airspace reservation and restrictions for less than 3 months without CAA approval. PANSA makes regular review of user's requirements concerning airspace structure while ASM Committee makes assessments of the submitted results once a year. Pre-Tactical ASM at Level 2 consists of the day-to-day management and temporary allocation of airspace through Polish AMC, which is joint civil/military ASM unit authorized to conduct operational ASM. Tactical ASM Level 3 consists of the real-time activation, deactivation or real-time reallocation of the airspace allocated at Level 2 and the resolution of specific airspace and traffic situations between civil and military flights, as appropriate. All levels of ASM are under ongoing oversight process, carried out by CAA. Activities regarding civil-military cooperation:

• Established joint civil-military Unit (AMC Poland) responsible for pre-tactical and tactical airspace management. Close co-operation with FMP according to procedures described in ops manual.

• CAT – airspace management tool used by civil and military personnel of AMC supporting ASM system. Functionalities of the tool: support to transfer of data, assist planning, automate the booking of airspace and make assessment of the likely impact of decisions possible. System ensures the accuracy of the data that is used by partners in ASM. Data consistency guarantees that the initiator of a change is using the same information as those at the end of the chain.

• CAT deployment in military units planned.

• CAT 2.0 development planned: B2B exchange of data at local/regional and network level (AIXM 5.1), BFAB requirements (common AUP).

• Implemented scenarios for military areas to avoid GAT peaks.

Performance of the FUA application in Lithuania

Despite sufficient capacity, Lithuania has established the appropriate FUA Level 1 mechanisms. The task is performed by the MoT under the agreement of the MoD. There is no a permanent High Level Policy Body at the strategic level; the airspace organisation changes are initiated by the NSA, ANSP and Military Air Forces in coordination with the Chief of Defence and approved by the Government.

Measures have been established to ensure consistency between ASM and ATFM. Rules of ATS provision were approved by the MoT. Procedures on the ANSP level were documented in the "Airspace reservation rules" that were coordinated with NSA and approved by ANSP.

The State has ensured that following tasks related to ASM Level 1 are being performed by the responsible body (referred to above). Regular meetings with airspace users. are being organised at different levels: MoT, NSA and ON where all stakeholders are being invited.

Para 17 of Regulation mentioned above states, that prohibited, restricted and dangerous areas shall be defined by the MoT subject to the proposal of CAA and upon agreement with the Commander of the Lithuanian Army.

ON has established the "Rules on reservation of airspace in Republic of Lithuania" in 2007. In accordance to para 18 of the Resolution No 285 of the Government, the reserved airspace, temporarilly segregated areas and special gliding areas shall be defined by the ATS provider. Criteria and procedures providing for the creation and use of adjustable lateral and vertical limits of the airspace are listed in the "Rules on reservation of airspace in Republic of Lithuania".

Assessments of the national airspace structures and route network with the aim of planning for flexible airspace structures and procedures are performed when required on permanent bases. Structures and procedures are planed in a flexible way: requirements by stakeholders may be submitted at any time and assessed as soon as they are received.

The specific conditions, under which the responsibility for separation between civil and military flights rests on the ATS units or on the controlling military units were laid down in two Letters of Agreements (LoA): LoA between ANSP and Air Force, and LoA between CAA of the three Baltic States and NATO HQ regarding the Air Policing Mission. The assessment of the performance of FUA operations is performed through the ANSP Quality Management System. KPIs are revised and approved on annual basis.

There are no plans to set up a formal AMC to manage the airspace at Pre-tactical level 2. The AMC functions are conducted by Air Traffic Management division of Oro navigacija. Neighbouring States are informed according to the LoAs.

There is Tactical co-ordination between ON and Military authorities at Tactical Airspace Management Level 3.

The State has ensured that the relevant ATS Units and military control units: established coordination procedures and communication facilities allows the real-time activation, deactivation or reallocation of airspace allocated at the pre-tactical level.

Procedures established to ensure the timely and effective exchange of any modification of planned airspace reservations and the adequate notification to all affected users are defined in LoAs.

Coordination procedures and supporting systems were defined in LoAs to ensure safety when managing interactions between civil and military flights. Coordination procedures allows to permit direct communication of relevant information to resolve specific traffic situations where civil air traffic controllers and military control units coordinate traffic in the same airspace: position of aircraft – procedures were defined in the LoAs for Alpha Scramble flights only (all other flights are controlled by civil ANSP); flight intention of aircraft (e.g. exchange of Flight Plan data) – procedures were defined in the LoAs for Alpha Scramble flights only. (All other flights are controlled by civil ANSP).

Cooperation between the MS's at the 3 levels of FUA.

Currently it is not necessary to coordinate Lithuanian airspace management policy with the respective or neighbouring States to jointly address the use of cross-border airspace structures. This coordination will be set up when the Baltic FAB is fully established and functioning. There is no need for special permission for NATO flights to cross the borders. There is a common set of standards for separations written in LoA. LoA apply to the three Baltic States and NATO HQ for Air Policing Function.

Additional (Key) Performance Indicators (and targets) relevant to civil military performance
Not applicable

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

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

6 - ANALYSIS OF SENSITIVITY AND COMPARISON WITH THE PREVIOUS PERFORMANCE PLAN

6.1 - Sensitivity to external assumptions

Lithuanian and Polish Performance plans for RP1 Baltic FAB plan for RP2 are the logical milestones of one seamless process towards better ATM Network performance while adequately contributing to the Union-wide KPIs achieving those set by NSA.

Daily operations and all the planning & development & deployment activities are based on timely and expeditious implementation and operational use of SESAR ATM Master Plan of OI steps applicable to Lithuanian and Polish stakeholders in safe and cost effective manner.

LITHUANIA
While the exchange rate of Lithuanian currency litas (LTL) is fixed to euro (EUR 1 = LTL 3,4528), there shall not be fluctuations in the exchange rate what could influence determined costs, unless the exchange rate is adjusted with Euro introduction from 2015.

POLAND
The traffic increasing over 10% above the forecasted, could have a significant impact on capacity. Such situation can lead to the need for additional activity of ANSP to cater for increased traffic demand. It could mean necessity of employment of more ATCOs in shift, reconfiguration of airspace etc. The priority as always is the safety. To maintain acceptable level of safety it can result ultimately in increase in delays.
The cost-efficiency performance target was checked against variations of the following external factors:
• fluctuation of the EUR exchange rate;
• level of traffic during RP2 (both in one of the years of RP2 and in the total RP2).

Any significant deviation from the assumed EUR/PLN exchange rate could have the following impact on the cost-efficiency area:
• impact on the revenue side – within the EUROCONTROL system en-route charges are invoiced and paid in EUR; the amount received by CRCO is then transferred to PANSA's account and for the purpose of covering expenses needs to be exchanged to PLN. As a result PANSA is subject to exchange rate risk, although the level of this risk is significantly limited by the monthly recalculation of the unit rate from PLN to EUR. Due to this monthly recalculation, any possible impact of changes in the exchange rate on the level of revenues is negligible, unless these exchange rate variations are sudden (take place in a short time frame) and significant in the amount;
• impact on the cost side – majority of costs included in the determined costs for RP2 are incurred in PLN. Fluctuations of the exchange rate could have an impact on the level of some capital expenditures which are made in EUR, and as a consequence could influence the level of annual depreciation costs with regard to those assets. Change in the level of exchange rate would also influence the PLN amount of contributions to international organizations, including EUROCONTROL.
Sensitivity analysis conducted for the assumption of +/-15% change in the level of the exchange rate as compared to the assumed exchange rate shows that such a variation could result in cash increase or decrease at the level of around a few million PLN for a single year during the RP2. Impact on the amount of depreciation would be negligible from the perspective of the total cost base. Such a difference would not, therefore, have a significant impact on the cost-efficiency target for RP2.
As concerns sensitivity to traffic, if the actual traffic is by 10% lower than assumed, this could result in the necessity to use external financing (banking credit), as not all costs/expenses can be reduced in the short term (majority of costs are fixed costs that are incurred irrespective of traffic variations). If such a decrease in traffic maintained for a longer term, this could result in demand for external financing and could result in a significant financial costs. It should, however, be noted that the determined costs include costs of both external and equity financing (cost of capital calculated as weighted average of cost of debt and equity). Unless the above mentioned demand for external financing is substantial, from the perspective of determined costs, the impact of the analyzed variations should not be significant.

6.2 - Comparison with previous performance plan

Having evaluated implementation of the national performance plan for RP1 (Monitoring Reports of 2012; 2013) Lithuanian and Polish NSAs have no intention to set additional KPIs/Pis in RP2 except those which are mandatory by Implementing Regulation 390/2013.

For the cost efficiency all differences are described in Additional Information an Annex C.

SECTION 7: IMPLEMENTATION OF THE PERFORMANCE PLAN

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

7 - IMPLEMENTATION OF THE PERFORMANCE PLAN

NSA commitment for data provision

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

Number of other dataflows	Click to select number of other dataflows

Additional comments

NSA of Lithuania has not established PI's in addition to the KPIs for additional monitoring of the achievement at national level. NSA may not commit for airport dataflow provision as has no direct power on the operator of the airports which reports to the MoT. Well operating performance monitoring could be established only in close cooperation with NM and assistance of PRB staff and necessary resources in place. Such cooperation between NM and MS' shall be developed further.

SAFETY

Poland

In the scope of safety area **Poland** will monitor three KPIs:

1. The minimum level of effectiveness of safaty management (EoSM - state and ANSP level);
2. Percentage of application of Risk Analysis Tool methodology;
3. Level of presence and corresponding level of absence of just culture (state and ANSP level).

The level of EoSM will be monitored by means of questionnaires (attached to decision No 2011/017/R of the Executive Director of the EASA on AMC and GM for the implementation and measurement of safety KPIs) filled on the level of state and ANSP (PANSA). The questionnaires are filled on annual basis and provided to EASA. Polish CAA fills questionnaires on state level and verifies questionnaires filled by PANSA.

The application of RAT methodology is monitored by collection of actual number of ATM-related occurrences in annual report in defined by regulation 390/2013 categories:

- Separation minima infringement;
- Runway incursion;
- Specific ATM technical occurences.

The level of just culture is monitored by means of questionnaires (attached to above mentioned decision of Executive Director of EASA) filled on the level of state and ANSP. The indicator is monitored on annual basis, questionnaires are sent to EASA.

The verification of changes is conducted IAW with requirements resulted from EU regulation (regulation 1034/2011) and applicable national requirements – Act of 3 July 2002 – Aviation Law and regulation of Ministry of Transport, Bulding and Maritime Economy of 21 March 2013 on safety-related changes in functional systems.

Lithuania

In accordance with CAA director order of 9 September 2012 , Oro navigacija shall provide CAA annual reports by 15 March in achievement safety indicators in previous year. Based on these data and caraful analysis CAA delivers ANSPs annual safety oversight reports to the MoT. The assesment of these reports are being used for monitoring the percentage of application of Risk Analysis Tool methodology at ANSP level. The minimum level of effectiveness of safety management and level of presence and corresponding level of absence of just culture, on both State and ANSP levels will be monitored by means of EASA questionnaires. The mechanism to inform CAA of the ANSP planed functional system change was prescribed in the ANSP Certification Rules, approved by CAA director on 26 September 2012. Important measure foreseen to achieve the Safety KPI's will be establishment of the State Safety Program. Rules on the Certification of the Air Navigation Service Providers and Rules on Establishement and Use of ATM Risk Classification, ALoS and TLoS contain some other mechanisms to manage the achievement of safety KPI's.

CAPACITY

Poland

The area of capacity is monitored by Polish CAA first of all with reference to KPI ATFM en-route delay per flight, where EU-wide target is set.

This KPI is monitored by means of data provided by Network Manager (monthly Network Operations Report). Polish CAA collects actual data on traffic (number of IFR flights and level of delay – min/flight). Data related to number of IFR flights are compared with STATFOR forecast.

Polish CAA will monitor other key performance indicators (PI) and performance indicators:
KPI related to arrival ATFM delay attributable to terminal and airport ANS;
PI – the adherence to ATFM slots (required by art. 11) of

PI – the average minutes of air traffic control pre-departure delay per flight caused by take-off restrictions at the departure airport.
The data concerning above mentioned indicators will be collected if possible on monthly basis and reported to PRB.

Lithuania
Capacity KPI's will be monitored by analysis of the performance review - Meta-Data - available on local (national-FAB) levels in the PRB website, as well as by available reports produced by NM. Analysis of forecasted traffic will be taken into account in order to monitor possible deviations from the traffic assumptions and achievement of possible alert treshholds.

ENVIRONMENT
Poland
The Polish CAA will monitor KPI of average horizontal en-route flight efficiency of actual trajectory.

The other performance indicators are monitored as well:
- the additional time in taxi-out phase;
- the additional time in terminal airspace.

The data are taken from online monitoring dashboard and sent to PRB on annual basis.

Lithuania
Environment target will be monitored by analysis of the performance review - Meta-Data - available on local (national-FAB) levels on the PRB website, as well as by other available data provided by NM.

COST EFFICIENCY
Poland
With regard to the cost-efficiency area regular monitoring of costs and the implementation of targets in RP2 will take place on annual basis. The monitoring will base on ANSPs' annual reports, financial statements and annual plans and also on CAA' financial accounts, charges' reporting tables as well as information provided by EUROCONTROL, concerning actual traffic level and revenues from air navigation charges.

With regard to PANSA, in accordance with the Act of 8 December 2006 on the Polish Air Navigation Services Agency, annual reports and audited financial statements shall be provided to the President of the CAA of Poland by the end of May of the following year. However, in order to meet timeline requirements concerning annual reporting on actual costs and performance, the CAA encourages PANSA to adjust its reporting time schedule in order to enable earlier reporting (preferably by 15th May at the latest). On the basis of these reports the CAA of Poland will evaluate the level of PANSA' annual costs. With regard to the IMWM evaluation of its actual costs will be based on financial statements drafted in accordance with Accounting Act of 1994 as well as annual report referred to in point 9 of Annex I to Regulation 1035/2011.
Additionally, PANSA, IMWM and Mazowiecki Port Lotniczy Warszawa-Modlin sp. z o.o. are obliged – by provisions of the regulation of the Minister of Transport of 15 May 2007 on air navigation charges – to provide preliminary reporting tables on air navigation charges (en-route and terminal) not later than 20th of May. These tables shall contain information on the actual level of costs incurred in the preceding year as well as the information on unit rates for the following years with regard to en-route and terminal services. These tables will be used to monitor the achievement of individual targets for the above mentioned ANSPs. On the basis on information received the CAA of Poland will provide annual performance reports to the Commission, as well as reporting tables and additional information containing actual information on costs, traffic level, inflation etc. as well as the unit rate for the following year for all entities included in the performance plan.

Additionally the CAA of Poland will also verify if annual plans of PANSA and IMWM and annual updates of their business plans reflect relevant provisions of the performance plan.
Apart from these regular monitoring activities, the CAA of Poland reserves the right to conduct audits or to oblige PANSA, IMWM and Mazowiecki Port Lotniczy Warszawa-Modlin sp. z o.o. to provide financial information to obtain up-to-date information on the level of actual costs and related information if there are signs showing that there might be a significant deviation of these costs from the determined costs.

Monitoring of the CAA of Poland own costs will be conducted on the basis of annual financial statements provided by the CAA to the Minister of Infrastructure and Development (and further by the MoIT to the Minister of Finance). These are available by end of February of the following year.

With regard to traffic level, CAA of Poland will be monitoring the situation on the basis of monthly en-route data available in the EUROCONTROL/CRCO ETNA. PANSA shall be obliged to communicate monthly terminal traffic (SU-L) to the CAA. The actual annual traffic level will be reported on the basis of data prepared by STATFOR. If the monitoring reveals that the alert thresholds established in the Plan are exceeded CAA of Poland will verify the cause of such situation and – if this analysis proves that those thresholds were exceeded as a result of external circumstances that were unforeseeable at the time when this performance plan was adopted and that they were beyond the control of the entities subject to this Plan - will act in accordance with article 19 of EC Regulation No 390/2013.

Information on external assumptions concerning exchange rate and inflation will be monitored by the CAA of Poland on regular basis. This monitoring will take place on an annual basis taking into account for inflation figures published by Eurostat and for EUR/PLN exchange rate average monthly Reuters bid closing rates published by EUROCONTROL/CRCO.

Lithuania

NSA will monitor actual SU's numbers provided monthly by CRCO for en route services and will request such data for terminal SU's in accordance to bilateral agreement with Eurocontrol/CRCO. Data forecast produced by STATFOR will be taken into account for the traffic development in the nearest future and possible scenarios of PP implementation and possible alert treshholds. Oro Navigacija and LHMT (MET) are obliged to provide reports on implementation of annual activities plans with a separate financial part (MET provider - dealing with provision of MET services). The Procedures of data provision to CAA for en route and terminal services costs (actual and planned) were established in May 2009 by CAA director's order and shall be revised in accordance to provisions of IR's 391/2013 and 390/2013. ANSPs shall advise CAA/NSA immediately on appearance of costs considered as uncontrallable .

Additionally, apart from performance monitoring performed at national level, in accordance with article 23.4 of the Agreement on the establishment of the Baltic Functional Airspace Block between the Republic of Poland and the Republic of Lithuania, regular monitoring activities concerning achievement of performance targets will be performed by the Baltic FAB Board. To this extent the Board will be assisted by the Strategic, Economic and Performance Committee referred to in article 26.4.1 of the Agreement. Detailed arrangements concerning the monitoring activities will be developed at a later stage.

8 - ANNEXES

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

Annex A. Public consultation material

Annex B. Relevant documentation in line with the NSP

Annex C. Reporting Tables

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

Annex D. ANSPs investment plans

Annex E. Traffic allocation by utilization of non Great Circle Routes in 2011-2013

Annex F. Air traffic services standards for Polish airports covered by the performance plan for RP2

ANNEX D. ANSPs INVESTMENT PLANS

ORO NAVIGACIJA DIMENSION

Explanations of the links, marks and signs, used in the table:

1) *In the heading of the column* **: type*** *means, that in the body of the table following types are used as required by EC Regulation 390/2013, Annex 2, para 2.2. (ii)*:
   - OV – Overhaul;
   - R - Replacement;
   - New – NEW;
2) *Following the Project approach, Work Breakdown Structure (WBS) is used:*
   - WP - working package;
   - sWP – working sub package;
3) *Concerning "Link with" column as required by EC Regulation 309/2013, Annex 2, para 2.2. (iii)*:
   - ATM MP – Air Traffic Management Master Plan;
   - ESSIP/LSSIP - European / Local Single Sky Implementation;
   - CP – Common Project;
   - NSP – Network Strategy Plan (2012-2019);
   - IOC – Initial Operational Capability;
   - FOC – Full Operational Capability;
4) *Planed or achieved synergies on FAB or Regional level as required by EC Regulation 390/2013, Annex 2, para 2.2. (iv) are specified in "Status, timing" column;*
5) *Details of the benefits expected from planned investments as required by EC Regulation 390/2013, Annex 2, para 2.2. (v) are specified in "Expected Contribution to the Key Performance Areas" column;*
6) *Information required by EC Regulation 390/2013, Annex 2, para 2.2. (vi) is specified in "Status, timing" column.*

Name of the Project, WBS and type*	**Description – Scope**	**Status, timing**	**Link with** EC Reg., ATM MP, ESSIP/LSSIP, CP and NSP	**Expected Contribution to the Key Performance Areas (+ date for expected benefits)**
Consolidated ATM projects				
I. Consolidated project (ATS). Modernization of Air Traffic Control equipment in SE „Oro navigacija" Air Traffic Control Centers, for implementation of SESAR requirements and defining of common interoperability decision for Baltic FAB				
Capex 1 **WP I.1.** **ACC and administration building** NEW	Infrastructure's development: the new building will contain up-to- It will also include facilities and other offices& facilities for the administration purposes	Planned for: 2015-2017 Project is in the development stage. Implementation is planned in by 2017/2018 according to SE "Oro navigacija" Strategic Business plan for		**Cost-effectiveness:** It will reduce building maintenance costs (other operating costs) General approach: - strong orientation to SESAR transversal improvements; - relaying on appropriate innovative technological solutions - MP enablers; - utilizing **environmental** friendly technology; - introducing high **security** requirements
Capex 2 **WP.I.2.** **Installation of new ATC system in new ACC** L-ATM/CNS-01-I/V-V **R**	The new state-of-the-art ATC system meeting complete set of requirements in terms of functionality, scalability, interoperability, security and maintainability planned to be procured and deployed in 2017 will replace ATC system EUROCAT-X currently in operation. Procurement and installation of the new ATC system in the new Area Control Centre to replace old ATC system	Planned for: 2014–2018 Project is in the development stage. Implementation is planned in by 2017/2018 according to SE "Oro navigacija" Strategic Business plan for 2015-2019. This project is a part (2.2) of Baltic FAB Implementation Program	**EC Regulation:** 1035/2011; 552/2004; **ESSIP/LSSIP** All ESSIP/LSSIP ATC & ITY-xxx objectives related to ATM and COM systems FOC< 2019 and IOC>2017 **ATM Master Plan:** All ATM MP OI steps with FOC< 2019 and IOC>2017 related to VLCN **CP:** none **Network Strategy Plan:**	Positive contribution to **Safety, Capacity, Cost effectiveness and Environment** will be gained providing effective and modern air navigation services **in Baltic FAB**. General approach: - strong orientation to SESAR ATM MP OI; - relaying on appropriate innovative technological solutions - MP enablers; - utilizing **environmental** friendly technology; - introducing high **security** requirements. **Safety:** improved safety and controllers confidence while using complete set of Safety Nets, Conflict detection and monitoring aids available for 2015+ manufactured systems be offered by manufacturers **(from 2018+)**; **Environment:** 1) System will support cross-border FRA contributing to ENV KPIs for horizontal fuel savings and corresponding reduction of CO2 emission ; 2) System will be upgradable to future XMAN and thus capable to contribute future ENV KPIs most probably related to vertical fuel savings and corresponding CO2 emission and noise reduction **(from 2018+)**; **Capacity:** 1) Designed to support dynamic sectorization it will allow to deliver capacity on demand thus optimizing controllers workload while avoiding either overdelivery or underdelivery of the tactical capacity; 2) Air-Ground and Ground-Ground data exchange for seamless ATC coordination, dialog and transfer of communication means will allow to accommodate significant traffic growth/fluctuations without increasing the number of controlling sectors, protecting them from tactical overloads which may cause potential delays.

			SO4	3) interoperable with the airport systems to support A-CDM **(from 2018+)**; **Cost-effectiveness:** it will reduce equipment maintenance costs (other operating costs) and minimize the required installation of new upgrades and functions in exciting ATC system **(from 2018+)**
Note: this WP is also part of **II. COM-SWIM consolidated project**				
sWP I.1.1. **Included into Capex 2** **Safety Nets Level II** L-ATM-01/1-I/V-C **R**	Aim - to ensure MSAW, APW and APM ground based Safety tools in line with the EUROCONTROL relevant specifications and the related guidance material. 1) *before 2016:* Evaluate compliance of already existing in ATC systems in operation Safety Nets to relevant Eurocontrol specifications requirements; 2) *by 2017/2018:* To ensure compliance of these functionalities to the present version of the specification in the new commencing ATC system and assess the availability for further upgrade (taking into account i4D+)	**1) I step - STCA** Level II –achieved; **II step** - Evaluation of compliance of other Safety Nets is in progress by the *ad hoc* Working group. *Note: SE "Oro navigacija" participates in SPIN SG activities.* *2) Functionality will be included in ATC system specification (2015+) and further deployed (2017+)*	**EC Regulation:** 1035/2011; 552/2004; **ESSIP/LSSIP:** ATC02.5; ATC02.6; ATC02.7 IOC from 2009 and FOC< 2016-2018 **ATM Master Plan:** OI – CM-0801 FOC>2018 (2023) **ICAO ASBU:** *SPC03.04* *OFA03.04.01* **CP:** none **Network Strategy Plan:** **SO7**	**Safety:** The systematic presentation of any imminent and actual deviation of the flight parameters/constrains will improve ATCOs working environment and thus improve the quality of their reaction and consequently –the safety. **Capacity**: N/A **Environment**: N/A **Cost-effectiveness:** Standardization of safety nets enables cost-effective use of scarce resources through increased team productivity. **Security** is achieved through functions that alert controllers to an increased risk to flight safety. It assists in preventing collision between aircraft, *in particular – in emergency situation (concerning one or more aircraft), also signals to controllers on aircraft behaviour, which could be caused by security related reasons.*
sWP I.1.2. **Included into Capex 2** **Controllers ATC supporting monitoring tools assessments and upgrade**	Implement and make operational use of ground based automated ATC support tool for conflict detection and Flight plan&trajectory conformance monitoring tools: 1) *before 2016:* Evaluate compliance of already existing in ATC systems in operation monitoring and conflict detection tools to relevant Eurocontrol specifications requirements;	1) In legacy ATC system monitoring aids assessment is in progress by the ad hoc Working group.	**EC Regulation**: 1065/2011; 552/2004; **ESSIP/LSSIP** ATC12 FOC< 2016	**Safety:** Early and systematic conflict detection and conformance monitoring enabled by ground based automated tools helps to: - reduce the need for tactical interventions, - reduce the risk of the impact of controllers and pilots errors, - support the possibility to maintain high level of safety with an increase in capacity due to a reduction of controller workload per aircraft.

E-MONA-01-I/V-C **NEW**	2) *by 2017/2018:* To ensure compliance of these functionalities to the present version of the specification in the new commencing ATC system and assess the availability for further upgrade (taking into account i4D+)	2) Functionality will be included in the new ATC system specification (2015+) and further deployed (2017+) as a part of the full set of conformance monitoring and conflict prevention tools applicable as from 2017	**ATM Master plan:** **OI – CM-0202,** **OI – CM-0801** FOC>2018 (2023) **ICAO ASBU:** *SPC03.03* *OFA03.03.01* *SPC03.04* *OFA03.04.01* **CP:** none **Network Strategy Plan:** **SO4** as support to FRA	**(up to 2017)** **Capacity**: Reduction of tactical controller workload, and better sector team productivity. **(as from 2017+)** **Environment**: improved quality of data used to issue the warnings the controller when aircraft deviate from their clearances, in particular in FRA will reduce distance flown (CO2) **Cost-effectiveness:** Early conflict detection will enable smoother flight patterns, without frequent and sudden control interventions, better manpower planning through reduced workload per aircraft and workload distribution. **Security**: improved quality of data used to issue the warnings the controller when aircraft deviate from their planned route or clearances, and thus attract controllers attention *(aircraft behaviour could be caused by security related reasons)*
Included into **Capex 2** **sWP I.1.3.** **Automated Assistance to Controller for Seamless Coordination, Transfer and Dialogue (SYSCO level 1) Phase II** R-NOP-02-I/V-C **NEW**	Task is dedicated to implement mandatory processes as described in Regulation (EC) No 1032/2006, Annex I (Parts A and B) and in Regulation (EC) No 30/2009, Annex (Part D). All OLDI related, including SYSCO level 1, implementations are coordinated through Regional Meetings. 1) Up to 2017 – Basic OLDI messages 2) after 2017 – all relevant dialog and transfer of co-	Planned 2015-2019 1) Up to 2017 – Basic OLDI messages with all the neighbouring ACCs, including MINSK and KALININGRAD ACCs 2) for new ATC system – full capability, subject for bilateral agreement for operational use. This project is a part (2.3) of Baltic FAB Implementation Program	**EC Regulation:** 30/2009, 1032/2006, 552/2004, 73/2010 **ESSIP/LSSIP:** ITY-COTR IOC from 2012 and FOC< 2018 **ATM Master plan:** **OI – CM-0201** FOC< 2024 **CP:** none **Network Strategy Plan: SO2**	**Safety:** is achieved through the reduction of human error potentially occurring due to VC quality and info accuracy. **Capacity:** Reduction of controller workload. Increased capacity through both reduction of voice congestion and increase in controller efficiency **Cost effectiveness**: More efficient HR planning and operational decision making. **Security:** SYSCO facilitates early resolution of conflicts through improved inter ATSU/sector coordination based on reliable and *well protected data communication means*
Capex 7 **WP I.2** **Installation of new ATC equipment in Kaunas Aerodrome Control Center**	Change of old ATC system to the new one in the Kaunas Aerodrome Control Center	Planned for 2019+	**EC Regulation:** 1035/2011; 552/2004; **ESSIP/LSSIP**	Positive contribution to **Safety, Capacity, Cost effectiveness and Environment** will be gained providing effective and modern air navigation services **in Baltic FAB**. General approach: - strong orientation to SESAR ATM MP OI;

Code is not yet assigned **R**			All ESSIP/LSSIP ATC & ITY-xxx objectives related to ATM and COM systems FOC< 2019 and IOC>2017 related to VLCN **ATM Master Plan:** All ATM MP OI steps with IOC>2017 related to VLCN **CP:** none **Network Strategy Plan:** **SO4**	- relaying on appropriate innovative technological solutions - MP enablers; - utilizing **environmental** friendly technology; - introducing high **security** requirements **Safety:** improved safety and controllers confidence while using complete set of Safety Nets and monitoring aids (APM) available for 2015+ manufactured systems be offered by manufacturers **Environment**: system will have AMAN functionality and will be upgradable to interacted with or to be part of future XMAN and thus capable to contribute future ENV KPIs most probably related to vertical fuel savings and corresponding CO2 emission and noise reduction. **Capacity:** 1) At local level only as there is no capacity issues; 2) Once it is decided to implement A-CDM in Kaunas Airport, it could also improve airport throughput **Cost effectiveness**: it will reduce equipment maintenance costs (other operating costs) and minimize the required installation of new upgrades and functions in exciting ATC system used in Kaunas TWR **(from mid 2020)**.
II. Consolidated project (APO-ATS-SWIM): SWIM concept implementation for integration of Airport and ATS services				
Capex 6 **WP II.1** **Modernization of A-SMGCS in Vilnius** L-CNS-03/1-I/V-V **OV**	Integrated FDPS with a new ATM system. Upgrade of current tower display system (TDS) in Vilnius TWR.	Planned -2015-2018 1) Project for the functionality upgrade is in progress.; 2) Integration planned for 2016+	**EC Regulation:** None **ESSIP/LSSIP:** ITY-SPI, AOP04.2 IOC from 2013, FOC<2017 **ATM Master plan:** OI–AO-0102 FOC>2024 **ICAO ASBU:** *SPC01.02* *SPC04.02* *OFA01.02.01* *OFA01.02.02* *OFA04.02.05* **CP:** none **Network Strategy Plan:** none	**Safety:** Better controller's situational awareness and enhanced functionality. Reduce risk of potentially dangerous vehicles being / crossing restricted areas. **(as from mid 2017)** **Capacity:** Provision of the capacity benefits. **Environment:** enhancing A-CDM and thus contributing ENV via reduction of noise and pollution while optimizing taxing procedures and better adhering SLOTs. **Cost-effectiveness:** it will reduce equipment maintenance costs (other operating costs) and minimize the required installation of new upgrades and functions in exciting ATC system used in Vilnius TWR. **(as from mid 2017)** **Security:** N/A
III. Consolidated project (NAV-PBN): Modernization of navigation infrastructure and services in accordance with ICAO – SESAR objectives				
Capex 5 **WP III.1** **DME implementation in Vilnius** L-CNS-04-I/V-C **OV**	The upgrade existing DME infrastructure for implementation of PBN.	Planned 2015–2017 The development of the requirements for the upgrade of the infrastructure is in progress. This project is a part (2.3) of Baltic FAB Implementation Program	**EC Regulation:** None **ATM Master plan:** OI–AOM-0601; FOC>2020 **ESSIP/LSSIP:** NAV01 FOC>2010 **ICAO ASBU:** *SPC02.01* *OFA02.01.01* **CP:** none **Network Strategy Plan:** none	**Safety:** Increase safety of flight operations by increased situational awareness and indirect benefit to both ATC and pilot through reduction of workload during RNAV operations **(as from mid 2017)** **Capacity:** Indirect benefit by enabling optimization of En-Route and terminal airspace **(as from mid 2017)**. **Environment:** Emissions and noise nuisance reduced by use of optimal flight procedures and routings **(as from mid 2017)**. **Cost-effectiveness:** Fuel cost reduction through optimized routes and TMA procedures.) **(as from mid 2017)**
IV. Consolidated project (COM-SWIM): Modernization of communication infrastructure towards SWIM implementation				

Capex 4 **WP IV.1** **Installation of AFTN/AMHS system in the new ACC** L-ATM/CNS-01-I/V-V **R** *Note: this WP is also part of* **I. ATS consolidated project**	For all ATC Centres upgraded in terms of functionalities integrated and AFTN/AMHS system deployed in the new ACC	Planned 2015–2018. Project is in the development stage. Implementation is planned in SE "Oro navigacija" Strategic Business plan for 2015-2019. This project is a part (2.2) of Baltic FAB Implementation Program	**EC Regulation:** 1035/2011; 552/2004; **ESSIP/LSSIP** COM10; COM11 IOC from 2012, FOC>2014 **ATM Master plan:** CTE-C10; CTE-C8 FOC>2023 **ICAO ASBU:** None **CP:** none **Network Strategy Plan:** none	Positive contribution to **Safety, Capacity, Cost effectiveness and Environment** will be gained providing effective and modern air navigation services **in Baltic FAB**. **(as from 2018)** General approach: - strong orientation to SESAR ATM MP OI; - relaying on appropriate innovative technological solutions - MP enablers; - utilizing **environmental** friendly technology; **Safety:** "benefits resulting from the application of a harmonised set of safety requirements" **(as from 2018+)** **Environment:** no or marginal benefits **Capacity:** no or marginal benefits **Cost effectiveness:** "Use of de-facto COTS messaging systems will reduce the cost of messaging services and support any kind of message format including the exchange of new binary data" **(as from 2018)** **Security:** "within the Extended ATSMHS, AMHS security services, when implemented, may help to protect against safety hazards such as accidental or deliberate message corruption and can provide protection against undetected misdelivery." **(as from 2018)**
Capex 3 **WP IV.2** **Installation of voice communication system in the new ACC** *L-ATM/CNS-01-I/V-V* **R** *Note: this WP is also part of* **I. ATS consolidated project**	VCS based on up-to-date technologies available in 2016+	Planned 2015–2018. Project is in the development stage. Implementation is planned in SE "Oro navigacija" Strategic Business plan for 2015-2019. This project is a part (2.2) of Baltic FAB Implementation Program	**EC Regulation:** 1035/2011; 552/2004; **ESSIP/LSSIP** COM10; COM11 IOC from 2012, FOC>2014 **ATM Master plan:** CTE-C10; CTE-C8 FOC>2023 **ICAO ASBU:** None **CP:** none **Network Strategy Plan:** none	Positive contribution to **Safety,** **Capacity, Cost effectiveness and Environment** will be gained providing effective and modern air navigation services **in Baltic FAB**. **(as from 2018)** General approach: - strong orientation to SESAR ATM MP OI; - relaying on appropriate innovative technological solutions - MP enablers; utilizing **environmental** friendly technology; **Safety:** through better quality of communications and improved controllers confidence **(as from 2018)** **Capacity:** indirect through better quality of communications and improved controllers confidence **(as from 2018)** **Cost-effectiveness:** replacement of system reduces maintenance costs comparing with those of old one. **(as from 2018)**

PANSA									
Name of investment	Total CAPEX for the project (Mio PLN)	Planned Amount of Capital Expendiures (inMio PLN)					Lifecycle (Amortisation period in years)	Allocation en route/ terminal ANS (%)	Planned date of entry into operation
		2015	2016	2017	2018	2019			
Radio location system	107,81	43,07	8,79	26,06	28,37	1,52	15	100 / 0	2016-2019
Ground stations	3,20	3,20	0,00	0,00	0,00	0,00	15	100 / 0	2015-2016
ATC Training and Contingency Infrastructures	200,05	15,00	14,05	44,00	127,00	0,00	40	100 / 0	2015, 2019
DVOR/DME infrastructure	12,05	1,10	4,60	0,35	0,00	6,00	15	100/ 0 99/1	2016- 2019
Towers	111,60	35,10	16,50	32,20	27,80	0,00	40, 15	70/ 30 0/100	2015-2018
Enterprise Resource Planning system	16,0	10,40	5,60	0,00	0,00	0,00	5	90/ 10	2016
ILS/DME infrastructures	15,90	5,70	0,00	7,50	2,70	0,00	20	50/ 50	2015-2018
Implementation of 8,33 kHZ channel separation below FL195	6,00	0,00	6,00	0,00	0,00	0,00	10	75/25	2017
MLAT	20,00	0,00	0,00	14,00	6,00	0,00	15	100/ 0	2019
System A-SMGCS	16,70	0,00	16,70	0,00	0,00	0,00	5	0/ 100	2016
Search & Rescue infrastructure	23,4	0,00	2,00	21,40	0,00	0,00	5	100/ 0	2017
Pegasus ATM system and and supporting systems	85,8	11,40	0,00	11,40	0,00	63,00	15, 10	94/6	2015-2019
ATM Systems inspection aircraft	36,5	36,50	0,00	0,00	0,00	0,00	20	100/ 0	2016
AIM - Aeronautical Information Management	2,5	0,00	2,52	0,00	0,00	0,00	3,10,40	90/10	2016
Sub-total Capex above (1)	**658**	**161**	**77**	**157**	**192**	**71**			
Sub-total other Capex (2)	**39**	**6,4**	**9,0**	**9,1**	**9,5**	**5,0**			
Total investments for RP2 (1) + (2)	**697**	**168**	**86**	**166**	**201**	**76**			

PANSA List of investment projects relevant to RP2					
Radio location system	Descriptions, justification and synergies	Accountable entity	PANSA	Significant cost impact	
		Differentiation	New/ existing replacement	Common investment	**no**
			New/ replacement	If so, joint partners	
	KPA impact	Safety **X**	Environment **X**	Capacity **X**	Cost efficiency **X**
	Date of expected benefits	2016-2017			
	Link with European ATM Master Plan	CTE-S5, CTE-S9, CTE-S1a, CTE-S1b,			
	Link with SES Inteoperabilty IRs, Network Strategy Plan and common projects				
	Link with BALTIC FAB	This project is a part of (2.3) Implementation Plan			
	Decision-making process underpinning the investment	Radars replacement has been performed due to end-of-life of existing radars. ADSB provides an alternative surveillance layer			

PANSA					
Ground stations	Descriptions, justification and synergies	Accountable entity	PANSA	Significant cost impact	
		Differentiation	New/ existing replacement	Common investment	**no**
			New	If so, joint partners	
	KPA impact	Safety **X**	Environment **X**	Capacity **X**	Cost efficiency **X**
	Date of expected benefits	2015, 2016			
	Link with European ATM Master Plan	CTE-C11b, CTE-C5			
	Link with SES Inteoperabilty IRs, Network Strategy Plan and common projects				
	Decision-making process underpinning the investment	Separation of the functions of transmitting and receiving			

PANSA					
ATC training and contingency infrastructure	Descriptions, justification and synergies	Accountable entity	PANSA	Significant cost impact	
		Differentiation	New/ existing replacement	Common investment	**no**
			New	If so, joint partners	
	KPA impact	Safety **X**	Environment x	Capacity x	Cost efficiency
	Date of expected benefits	2019			
	Decision-making process underpinning the investment	In order to safeguard a continuity of air navigation services provision in a long-term perspective and with the aim to reduce APP control centres in FIR EPWW.			

PANSA					
DVOR/ DME Infrastructure	Descriptions, justification and synergies	Accountable entity	PANSA	Significant cost impact	
		Differentiation	New/ existing replacement	Common investment	**no**
			New/ replacement	If so, joint partners	
	KPA impact	Safety **X**	Environment **X**	Capacity **X**	Cost efficiency **X**
	Date of expected benefits	2016,2017,2019			
	Link with European ATM Master Plan	AOM-0601, AOM-0602, CTE-N5a			
	Link with SES Inteoperabilty IRs, Network Strategy Plan and common projects	NAV03			
	Link with BALTIC FAB	This project is a part of (2.3) Implementation Plan			
	Decision-making process underpinning the investment	Fulfill the requirements of navigation coverage.			

PANSA					
	Descriptions, justification and	Accountable entity	PANSA	Significant cost impact	

Towers	synergies	Differentiation	New/ existing replacement	Common investment	**no**
			New	If so, joint partners	-
	KPA impact	Safety **X**	Environment	Capacity **X**	Cost efficiency **X**
	Date of expected benefits	2015, 2017,2018			
	Link with European ATM Master Plan	SDM-0201			
	Link with SES Inteoperabilty IRs, Network Strategy Plan and common projects	NAV03			
	Link with BALTIC FAB	This project is a part of (2.2) Implementation Plan			
	Decision-making process underpinning the investment	Opportunity to develop services adequate to the level of traffic.			

PANSA					
ERP Enterprise Resource Planning system	Descriptions, justification and synergies	Accountable entity	PANSA	Significant cost impact	
		Differentiation	New/ existing replacement	Common investment	**no**
			New	If so, joint partners	
	KPA impact	Safety	Environment	Capacity	Cost efficiency **X**
	Date of expected benefits	2016			
	Decision-making process underpinning the investment	Investment plan elaboration procedure. Opportunity to improve the quality of the management process.			

PANSA					
ILS/DME Infrastructure	Descriptions, justification and synergies	Accountable entity	PANSA	Significant cost impact	
		Differentiation	New/ existing replacement	Common investment	**no**
				If so, joint partners	-
	KPA impact	Safety **X**	Environment **X**	Capacity **X**	Cost efficiency **X**
	Date of expected benefits	2015-2017			
	Link with European ATM Master Plan	CTE-N6			
	Link with SES Inteoperabilty IRs, Network Strategy Plan and common projects				
	Link with BALTIC FAB	This project is a part of (2.3) Implementation Plan			
	Decision-making process underpinning the investment	Replacement of the ILS system is required due to end-of-life of the current system			

PANSA					
	Descriptions, justification and synergies	Accountable entity	PANSA	Significant cost impact	
		Differentiation	New	Common investment	
				If so, joint partners	

Implementation of 8,33 kHZ channel separation below FL195	KPA impact	Safety X	Environment	Capacity X	Cost efficiency
	Date of expected benefits				
	Link with European ATM Master Plan	CTE-C5			
	Link with SES Inteoperabilty IRs, Network Strategy Plan and common projects				
	Link with BALTIC FAB				
	Decision-making process underpinning the investment	Due to EU regulation nr 1079/2012 16.11.2012. Achievement of technical ability to implement a new separation below FL195.			

PANSA					
MLAT Poznan Wroclaw, MLAT Kraków Katowice;	Descriptions, justification and synergies	Accountable entity	PANSA	Significant cost impact	
		Differentiation	New	Common investment	
				If so, joint partners	
	KPA impact	Safety X	Environment	Capacity X	Cost efficiency X
	Date of expected benefits				
	Link with European ATM Master Plan	CTE-S5			
	Link with SES Inteoperabilty IRs, Network Strategy Plan and common projects				
	Decision-making process underpinning the investment	Opportunity to introduce new more economical solution to provide APP services			

PANSA					
System A-SMGCS	Descriptions, justification and synergies	Accountable entity	PANSA	Significant cost impact	
		Differentiation	New/ existing replacement	Common investment	**no**
			New	If so, joint partners	
	KPA impact	Safety X	Environment X	Capacity X	Cost efficiency X
	Expected benefits				
	Date of expected benefits	2016			
	Link with European ATM Master Plan	AO-0201, AO-0102, CTE-S5, CTE-S9			
	Link with SES Inteoperabilty IRs, Network Strategy Plan and common projects	AOP04.1, AOP04.2,			
	Decision-making process underpinning the investment	A-SMGCS Level 1 surveillance data may be used to replace visual observation as required, in accordance with ICAO EUR Doc 7030, chapter 6.5.6 (approved March 2009), and as the basis of controller decision making.			

PANSA					
S&R (Search & Rescue infrastructure)	Descriptions, justification and synergies	Accountable entity	PANSA	Significant cost impact	
		Differentiation	New/ existing replacement	Common investment	**no**
			New	If so, joint partners	
	KPA impact	Safety **X**	Environment	Capacity	Cost efficiency
	Date of expected benefits	2017			
	Link with European ATM Master Plan	AO-0201, AO-0102, CTE-S5, CTE-S9			
	Link with SES Inteoperabilty IRs, Network Strategy Plan and common projects	AOP04.1, AOP04.2,			
	Link with BALTIC FAB	This project is a part of (3.4) Implementation Plan			
	Decision-making process underpinning the investment	Investment plan elaboration procedure. Provision of activities in the crisis situation.			

PANSA					
Pegasus ATM system and and supporting systems	Descriptions, justification and synergies	Accountable entity	PANSA	Significant cost impact	
		Differentiation	New/ existing replacement	Common investment	**no**
			New	If so, joint partners	
	KPA impact	Safety **X**	Environment	Capacity **X**	Cost efficiency **X**
	Date of expected benefits	2015-2018			
	Link with European ATM Master Plan	IS-0901, CM-0202, CM-0203			
	Link with BALTIC FAB	This project is a part of (2.2) Implementation Plan			
	Decision-making process underpinning the investment	Investment plan elaboration procedure			

PANSA					
ATM Systems inspection aircraft	Descriptions, justification and synergies	Accountable entity	PANSA	Significant cost impact	
		Differentiation	New/ existing replacement	Common investment	**no**
			New	If so, joint partners	
	KPA impact	Safety X	Environment	Capacity X	Cost efficiency X
	Date of expected benefits	2016			
	Link with BALTIC FAB	This project is a part of (3.2) Implementation Plan			
	Decision-making process underpinning the investment	Investment plan elaboration procedure			

PANSA					
	Descriptions, justification and synergies	Accountable entity	PANSA	Significant cost impact	
		Differentiation	New	Common investment	**NO**
			New	If so, joint partners	

AIM- Aeronautical Information Management	KPA impact	Safety **X**	Environment	Capacity **X**	Cost efficiency **X**
	Date of expected benefits	2016			

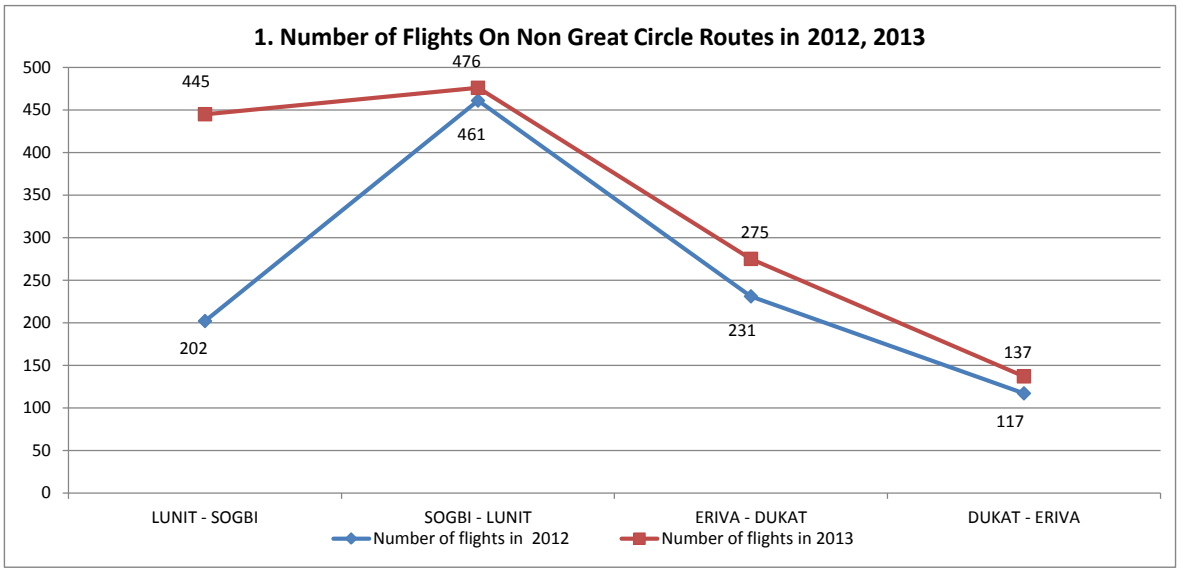
Link with European ATM Master Plan	IS-0202, IS-0204
Link with SES Inteoperabilty IRs, Network Strategy Plan and common projects	ITY-ADQ, INF04
Link with BALTIC FAB	This project is a part of (2.4) Implementation Plan

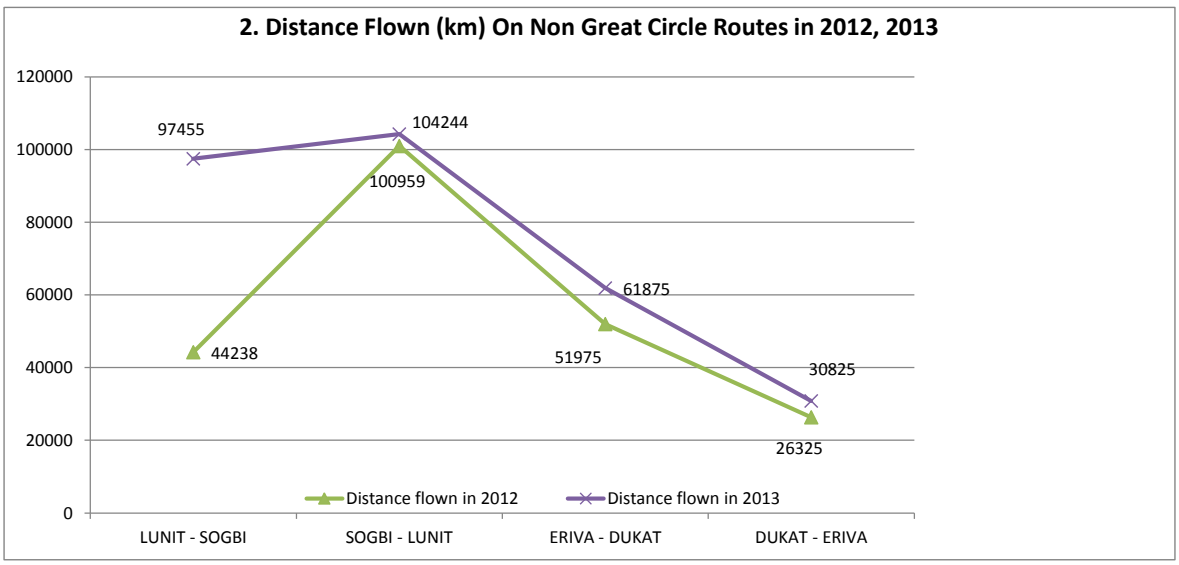
Decision-making process underpinning the investment	The goal is to provide a service migration from manual processing and management of documents published in the paper version to an electronic one

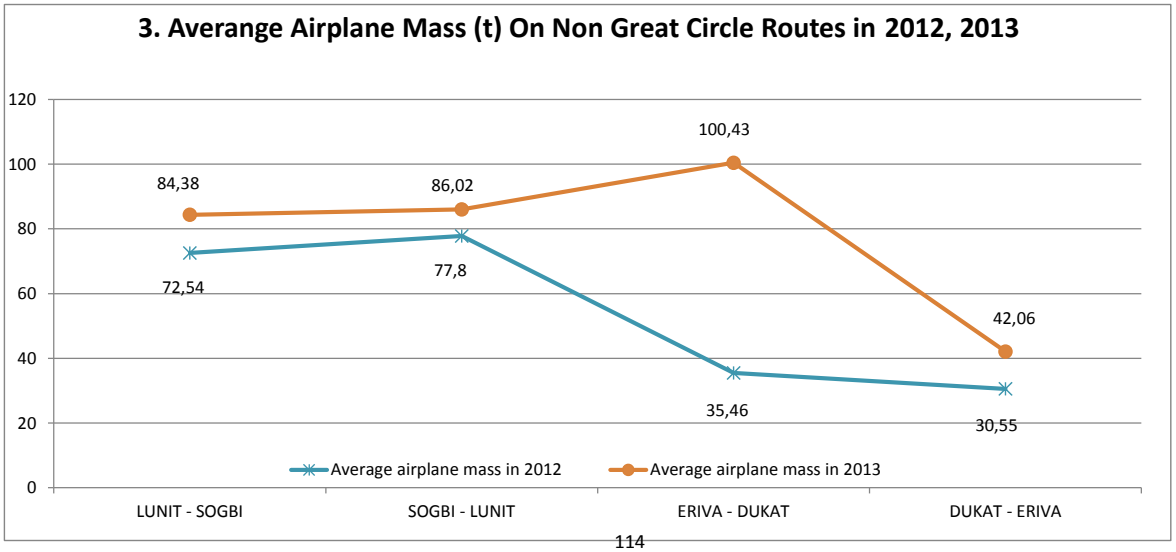
ANNEX E Traffic allocation by utilization of non Great Circle Routes in 2011-2013

Oro Navigacija

I. Traffic within Vilnius FIR is monitored and analyzed on regular basis in order to analize actual changes and identify potencial reduction of CO2 emission.
Monitoring rezults (for number of flights, cumulative distance flown, MTOM overage) are presented in the charts (1-3) below.
Note: calculation method was improved since 2011 in terms of accuracy comparing with this, used for RP1







II. To calculate overal potencial fuel savings and CO_2 emissions reduction, which could be gained on these extensions eliminated, the formulas in table below could be used:

Years	2015	2016	2017	2018	2019
CO_2 emission could be reduced	M1*ΔD1*E1	M2*ΔD2*E2	M3*ΔD3*E3	M4*ΔD4*E4	M5*ΔD5*E5
M - Average airplane mass, t					
ΔD - Distance differences between flown on non Great Circle and Great Circle, km					
E - CO_2 emission per km/per M, t					

Conclusions for Lithuanian ANSP

Conclusion 1:

Despite the fact, that number of flights (and consiquently, the cumulative distance flown in terms of extension) and overage of MTOM is growing, the percentage of this constituent is still less 1% (2013-0,62% vs 2012-0,49% of total traffic).

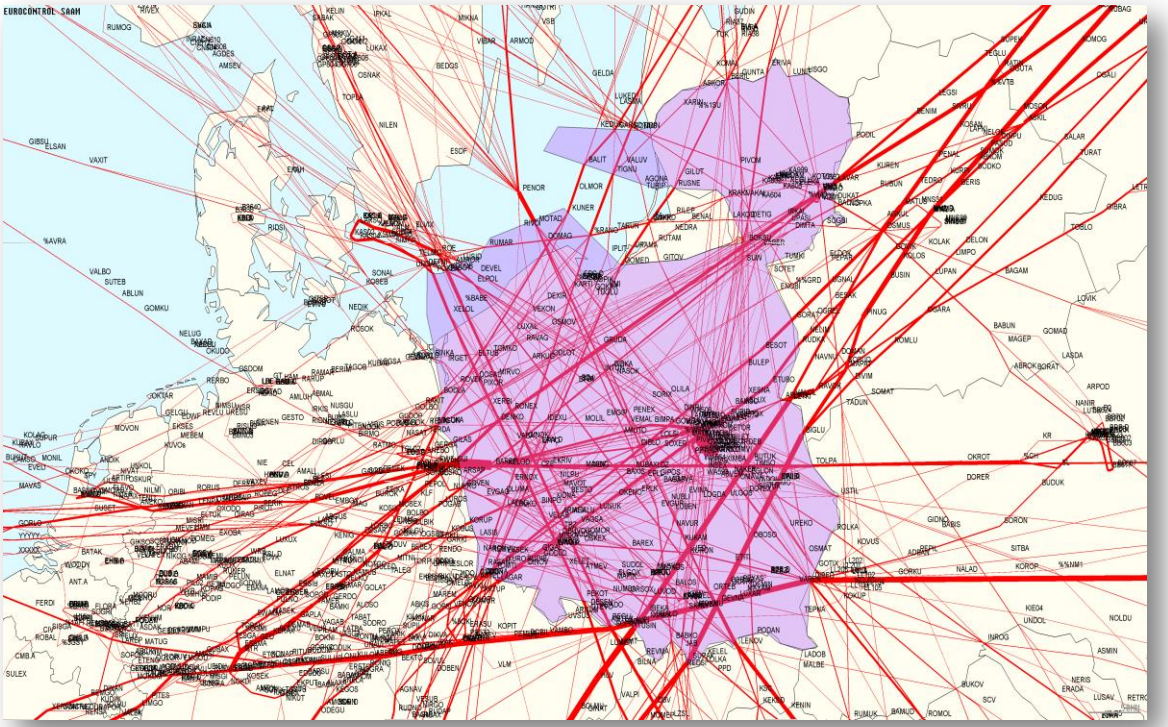
Conclusion 2:

According to the Feasibility study on FRA implementation within Vilnius FIR, FRA implementation only within Vilnius FIR (planned for 2015):
- could not bring sufficient performance benefits in terms onf ENV KPI;
- any changes to eliminate existing route extention (for **0,62 %** of traffic) would negatively impact or affect route network segment for departing/arriving traffic to Vilnius (**15,3 %**).

Conclusion 3:

Bringing FRA to the TMA level from 2017+ in range with the deployment of the new ATC system in VILNIUS ACC could slightly improve the situation, but it will be the subject for Feasibility study in 2016+.

BALTIC FAB dimension



III. According to the assessment performed by NM, the reduction of 0,22% versus 0,25% is envisaged with the FRA 245 implementation by 2017/2018

Overall Conclusion

Further ENV improvement could be achieved bringing FRA at Cross-Border Regional level