Performance Plan

Estonia

Third Reference Period (2020-2024)

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

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

Signatories

Performance plan details	
State name	Estonia
Status of the Performance Plan	Draft performance plan containing revised RP3 targets (Art. 3 of IR 2020/1627 & Art. 12 of IR 2019/317)
Date of issue	27.08.2021
Date of adoption of Draft Performance Plan	30.09.2021
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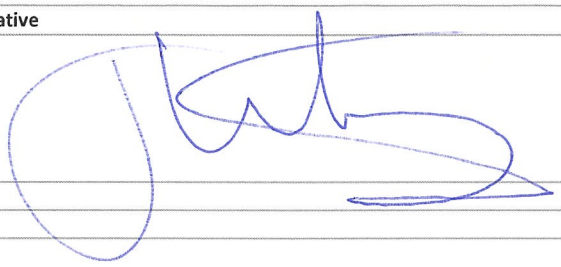
We hereby confirm that the present performance plan is consistent with the scope of Regulation (EU) No 2019/317 pursuant to Article 1 of Regulation (EU) No 2019/317 and Article 7 of Regulation (EC) No 549/2004.

Name, title and signature of representative	
Ahti Kuningas Deputy Secretary General for Transport Ministry of Economic Affairs and Communications	
Additional comments	

Document change record		
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1.0	27.08.2021	Draft
Draft for adoption	30.09.2021	Consultation with stakeholders
2.0	17.11.2021	Amended after completeness verification

SECTION 1: INTRODUCTION

1.1 The situation
- 1.1.1 - List of ANSPs and geographical coverage of services
- 1.1.2 - Other entities in the scope of the Performance and Charging Regulation as per Article 1(2) last para.
- 1.1.3 - Charging zones (see also 1.4-List of Airports)
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1.2 - Traffic Forecasts
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Annexes of relevance to this section

ANNEX C. CONSULTATION
ANNEX D. LOCAL TRAFFIC FORECASTS
ANNEX L. JUSTIFICATION FOR SIMPLIFIED CHARGING SCHEME

1 - INTRODUCTION

1.1 - The situation

NSA(s) responsible for drawing up the Performance Plan	Estonian Transport Administration

1.1.1 - List of ANSPs and geographical coverage and services

Number of ANSPs	1

ANSP name	Services	Geographical scope
EANS	ATS,AIS, CNS	Tallinn FIR

Cross-border arrangements for the provision of ANS services

Number CB arrangements where ANSPs provide services in an other State	Click to select

ANSPs providing services in the FIR of another State	
ANSP Name	Description and scope of the cross-border arrangement

Number CB arrangements where ANSPs from another State provide services in the State	Click to select

ANSPs established in another Member State providing services in one or more of the State's FIRs	
ANSP Name	Description and scope of the cross-border arrangement

1.1.2 - Other entities in the scope of the Performance and Charging Regulation as per Article 1(2) last para.

Number of other entities	4

Entity name	Domain of activity	Rationale for inclusion in the Performance Plan
Estonian Transport Administation	NSA	TRAM is in jurisdiction of the Ministry of Economic Affairs and Communications and it
Estonian Aviation Academy	Training Organisation	Estonian Aviation Academy is a state-owned professional higher education institution providing aviation diplomas and training aviation specialists inc. ATCO's.
Ministry of Interior	SAR	Estonian Aviation Academy is a state-owned professional higher education institution
Ministry of Economic Affairs and Communications		Ministry of Economic Affairs and Communications is the Regulatory Authority in Estonia

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

En-route	Number of en-route charging zones	1

En-route charging zone 1	Estonia

Terminal	Number of terminal charging zones	1

Terminal charging zone 1	Estonia - TCZ

1.1.4 - Other general information relevant to the plan

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

The EANS's activities and results were greatly impacted by the situation related to Covid-19 crisis in 2020 and also in 2021.
Year 2020 was a year of major changes and challenges for Estonian ANS provider, marked by difficult and extremely complicated decisions. In order to improve the Company's management, a structural reform was carried out, and work with the new management structure was launched in January 2021.
Due to the situation caused by Covid-19, the following staff related changes were applied in 2020:
-In spring, the staff workload and remuneration were reduced to 70% for three months;
-As a consequence of a collective redundancy process, the number of employees fell by 45 people including ATCOs as compared to the beginning of the year. As compared to the same period last year, the number of employees decreased by 20% at the year-end. In order to cope with the new forecasted capacaty demand (Statfor forecast from Oct 2021) EANS has to make adjustments into the previous staffing plan and has to revert some lay-offs or has to start recruiting new ATCOs and IT engineers to implement the postponed investments.

To cope with the new circumstances the ANSP has made remarkable efforts to adjust other costs in 2020 & 2021 as well. Cut of training cost, travellling cost and other daily cost items where feasible have been minimized. To cope with the potential liquidity crisis EANS had to stop and to postpone all non-critical investments. Despite the complicated situation, the EANS continued with its key project FINEST. FINEST is a programme on the integration of the cross-border sectors of Finland and Estonia which is essential from the point of view of future recovering traffic flows to increase capacity. In long term perspective FINEST project should have a positive impact on improving performance targets.

For alleviation of the negative effect of the postponement of the customer payments related to the COVID-19 crisis (the member states of EUROCONTROL adopted a support measure to alleviate the effects of the crisis for users of the air space), an additional working capital loan in the amount of €4.88 million was taken into use in 2020.
For alleviation of the effects of the Covid-19 crisis the EASN's Management Board proposed to increase equity to the pre-crisis level in order alleviate the adverse effects of the Covid-19 crisis and ensure a liquidity buffer. Share capital has been increased by 10 million euros in June 2021.

EANS's planned strategical capital expenditure for following years are related to implementing the dynamic cross-border service provision project (FINEST) between Finland and Estonia at the end of 2022, to digitalization of information systems and to inevitable other infrastructure upgrades .

Additional comments

1.2 - Traffic Forecasts

1.2.1 - En route

En route Charging zone 1 | **Estonia**

En route traffic forecast | Local forecast

Local forecast	2017A	2018A	2019A	2020A	2021	2022	2023	2024	CAGR 2019-2024
IFR movements (thousands)	215	232	229	97	101	175	211	224	-0,4%
IFR movements (yearly variation in %)		7,5%	-1,3%	-57,5%	4,0%	73,3%	20,6%	6,2%	
En route service units (thousands)	866	920	901	419	445	727	865	912	0,2%
En route service units (yearly variation in %)		6,3%	-2,1%	-53,5%	6,3%	63,4%	19,0%	5,4%	

1.2.2 - Terminal

Terminal Charging zone 1 | **Estonia - TCZ**

Terminal traffic forecast | Local forecast

Local forecast	2017A	2018A	2019A	2020A	2021	2022	2023	2024	CAGR 2019-2024
IFR movements (thousands)	24,9	23,2	22,8	10,0	11,4	19,6	21,8	22,7	-0,1%
IFR movements (yearly variation in %)		-6,6%	-2,0%	-55,9%	13,5%	71,9%	11,2%	4,1%	
Terminal service units (thousands)	18,3	19,4	19,6	8,2	10,0	17,4	18,8	19,9	0,3%
Terminal service units (yearly variation in %)		5,7%	1,2%	-58,2%	21,9%	74,0%	8,0%	5,9%	

1.3 - Stakeholder consultation

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

Description of main points raised by stakeholders and explanation of how they were taken into account in developing the performance plan
The main points discussed in the consultation meeting were related to cost-efficiency. Information provided in draft performance plan before consultatio meeting lacked the necessary transparency and completeness. Estonia addressed these issues during the consultation meeting and further written explanation was provided after consultation meeting.

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

Topic of consultation	Applicable	Results of consultation
Where applicable, decision to diverge from the STATFOR base forecast	No	
Charging policy	Yes	Not discussed.
Maximum financial advantages and disadvantages for the mandatory incentive scheme on capacity	Yes	Close to zero delays are expected during RP3 and its unlikely that Estonia would overachieve the capacity target, but it was noted, that there should be no possibility for bonuses in case of overachieving the capacity target.
Where applicable, decision to modulate performance targets for the purpose of pivot values to be used for the mandatory incentive scheme on capacity	No	
Symmetric range ("dead band") for the purpose of the mandatory incentive scheme on capacity	Yes	No comments
Establishment or modification of charging zones	No	
Establishment of determined costs included in the cost base for charges	Yes	Cost of capital and staff cost, State cost allocation: more detailed explanation.
Where applicable, values of the modulated parameters for the traffic risk sharing mechanism	No	
Where applicable, decision to apply the simplified charging scheme	No	
New and existing investments, and in particular new major investments, including their expected benefits	Yes	No comments

1.3.3 - Consultation of stakeholder groups on the performance plan

#1 - ANSPs	
Stakeholder group composition	EANS
Dates of main meetings / correspondence	Meetings and e-mail correspondence during preparation of the draft performance plan. EANS was also present in the consultation meeting and they held a presentation on justification of costs and investments.
Main issues discussed	Cost allocation, capacity targets, incentive schemes, investments.
Actions agreed upon	EANS to provide detailed justifications regarding the main issues above.
Points of disagreement and reasons	No disagreements
Final outcome of the consultation	

Additional comments

#2 - Airspace Users	
Stakeholder group composition	Lufthansa, IATA
Dates of main meetings / correspondence	Consultation meeting on 15 September 2021.
Main issues discussed	Cost of capital and staff, investments, State cost, recovery period, Incentive scheme
Actions agreed upon	Additional information to be provided.
Points of disagreement and reasons	
Final outcome of the consultation	More detailed explanation and justifications on cost evolution.

Additional comments

#3 - Professional staff representative bodies	
Stakeholder group composition	N/A
Dates of main meetings / correspondence	
Main issues discussed	
Actions agreed upon	
Points of disagreement and reasons	
Final outcome of the consultation	

Additional comments

#4 - Airport operators	
Stakeholder group composition	N/A
Dates of main meetings / correspondence	
Main issues discussed	
Actions agreed upon	
Points of disagreement and reasons	
Final outcome of the consultation	

Additional comments

#5 - Airport coordinator	
Stakeholder group composition	N/A
Dates of main meetings / correspondence	
Main issues discussed	
Actions agreed upon	
Points of disagreement and reasons	
Final outcome of the consultation	

Additional comments

#6 - Other (specify)	
Stakeholder group composition	N/A
Dates of main meetings / correspondence	
Main issues discussed	
Actions agreed upon	
Points of disagreement and reasons	
Final outcome of the consultation	

Additional comments

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

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

ICAO code	Airport name	Charging Zone	IFR air transport movements			
			2016	2017	2018	Average

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

Number of airports	2		
ICAO code	Airport name	Charging Zone	Additional information
EETN	Tallin	Estonia - TCZ	
EETU	Tartu	Estonia - TCZ	

Additional comments

1.5 - Services under market conditions

Number of services under market conditions	0

Services	Charging zone	Geographical scope of the services	State decision and assessment report	Reference to the agreement of the European Commission

Additional comments

1.6 - Process followed to develop and adopt a FAB Performance Plan

Description of the process
Not applicable

1.7 - Establishment and application of a simplified charging scheme

Is the State intending to establish and apply a simplified charging scheme for any charging zone/ANSP?	No

1.7.1 - Scope of the simplified charging scheme

Description of the application of the simplified charging scheme

Number of charging zones affected by the simplified charging scheme	Click to select

Charging Zone	ANSP(s)

1.7.2 - Conditions for the application of the simplified charging scheme

Specify how the conditions of Article 34(2) for the establishment of a simplified charging scheme are being met:

NOTE: Section 1.3 (Stakeholder Consultation) should include details on the consultation with airspace users' representatives and ANSPs on the intention to establish and apply a simplified charging scheme.

SECTION 2: INVESTMENTS

2.1 - Investments - EANS

2.1.1 - Summary of investments

2.1.2 - Detail of new major investments

2.1.3 - Other new and existing investments

Annexes of relevance to this section

ANNEX E. INVESTMENTS

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

2.1 - Investments - EANS

2.1.1 - Summary of investments

Number of new major investments	Click to select number of new major investments

Sub-total of **new major investments** above (1)	0	0	0	0	0	0	0				
Sub-total **other new investments** (2)	24 005 150	24 005 150	0	76 854	935 617	2 928 594	3 591 579				
Sub-total **existing investments** (3)			6 423 367	5 814 196	3 850 920	2 183 174	1 801 232		89%	11%	
Total new and existing investments (1) + (2) + (3)	24 005 150	24 005 150	6 423 367	5 891 050	4 786 537	5 111 768	5 392 811				

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

2.1.2 - Detail of new major investments

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

2.1.3 - Other new and existing investments

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

FINEST cross-border cooperation with EANS´s cross border partner Finntraffic ANS is the main strategic investment for the present reference period. It creates borderless FRA environment in Estonian and Finnish airspace. It allows dynamical sectorisation of common airspace between the parties and will benefit therefore from the use of the resources jointly. It will create the airspace where both parties are more flexible to respond to the future traffic growth with less resources required. Common airspace structure offers to the airspace users to benefit from full FRA environment. Using same systems and resources will give also cost reduction for all parties involved and should allow more environmental friendly planning.

The ATM investments are mainly related to Topsky system software and hardware upgrades which are obligatory in terms of its lifecycle and FINEST co-operation. EANS is developing cross-border FRA environment with our cross-border ANSP Finntraffic ANS. FINEST provides to airspace users availabilty of capacity, supports environmental friendly trajector planning and cost effectivness from unified systems. ATM system unification reduces in the future costs for main and related ATM systems for both sides involved.
Investments to support systems for data management and info-systems are also obligatory for centralised service provision in FINEST.

The COM investments are also related to Tallinn ATCC existing VoiP VCS system upgrades due to the system synchronization of the systems to offer cross-border ATM services. VoIP system upgrade is a pre-requisite for dynamic cross-border service provision where operational service provision is managed dynamically by EANS and Finntraffic.

The SUR investment is related to the upgrade of MSSR, SMR.

The NAV main investment consist of the DME obligatory renewals. Recording system hardware is at the end of the lifecycle and there is an urgent need for renewal to fulfill the regulation requirements.

The AIS investment is related to AIM system upgrades, and the objective is digitalization.

Support investments are mainly related to upgrades of the existing software or hardware of all other supporting systems.

The RTWR investments are related to the all small Estonian airports. ANSP is developing a RTWR Centre into our existing office premises in Tallinn to provide AFIS services in all small airports from one location (Tartu, Kärdla, Kuressaare, Pärnu). Service is provided at the moment by Tallinn Airport in some airports and in Tartu by EANS. RTWR centre will allow to control all the traffic 24/7 from one location with less resources.

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

Number of new other investments	7

#	Name of investment	Total value of the asset (capex or contractual leasing value)	Value of the assets allocated to ANS in the scope of the PP	**Determined costs** of investment (i.e. depreciation, cost of capital and cost of leasing) (in national currency)					Description
				2020	2021	2022	2023	2024	
1	ATM	8 934 600	8 934 600		60 595	787 726	2 064 856	2 403 760	
2	AIS	4 093 000	4 093 000				506 256	515 260	
3	ATM RTWR	2 772 550	2 772 550						
4	COM	2 520 000	2 520 000			74 065	165 913	223 936	
5	SUR	2 420 000	2 420 000		5 215	21 883	44 306	114 047	
6	SUPPORT	2 215 000	2 215 000		11 044	51 943	97 772	133 092	
7	NAV	1 050 000	1 050 000				49 491	201 484	

SECTION 3: PERFORMANCE TARGETS AND MEASURES FOR THEIR ACHIEVEMENT

3.1 - Safety targets

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

3.2 - Environment targets

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

3.3 - Capacity targets

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

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

3.4 - Cost efficiency targets

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

En Route Charging Zone #x

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

Terminal Charging Zone #x

3.4.3 - Pension assumptions

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

3.4.5 - Restructuring costs

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

3.5 - Additional KPIs / Targets

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

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

3.6.2 - Interdependencies and trade-offs between capacity and environment

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

3.6.4 - Other interdependencies and trade-offs

Annexes of relevance to this section

ANNEX A. REPORTING TABLES & ADDITIONAL INFORMATION (EN-ROUTE)
ANNEX B. REPORTING TABLES & ADDITIONAL INFORMATION (TERMINAL)
ANNEX F. BASELINE VALUES (COST-EFFICIENCY)
ANNEX H. RESTRUCTURING MEASURES AND COSTS
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ANNEX Q. JUSTIFICATIONS FOR THE LOCAL CAPACITY TARGETS
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ANNEX U. VERIFICATION BY THE NSA OF THE COMPLIANCE OF THE COST BASE

SECTION 3.1: SAFETY KPA

3.1 - Safety targets

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

a) Safety national performance targets

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

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

Annexes of relevance to this section

ANNEX O. JUSTIFICATIONS FOR THE LOCAL SAFETY TARGETS

3 - PERFORMANCE TARGETS AT LOCAL LEVEL

3.1 - Safety targets

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

a) Safety performance targets

	Number of Air Traffic Service Providers	1

		2020A	2020	2021	2022	2023	2024
		Actual	Target	Target	Target	Target	Target
EANS	Safety policy and objectives	*C*	C	C	C	C	C
	Safety risk management	*D*	C	D	D	D	D
	Safety assurance	*D*	C	C	C	C	C
	Safety promotion	*C*	C	C	C	C	C
	Safety culture	*D*	C	C	C	C	C
	Additional comments						

The targets do not differ from EU wide targets. In the first RP3 year 2020 EANS did reach all foreseen targets.

** Refer to Annex O, if necessary.*

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

EANS performance has been good and it is to be expected to continue.
EANS achieves safety performance targets according to Estonian State Safety Program. EANS main measures are to continually take part in the EUROCONTROL CANSO Standard of Excellence Safety Maturity Study. The EUROCONTROL CANSO Standard of Excellence in Safety Management Systems (SoE in SMS) Measurement provides a framework that helps air navigation services providers continually improve their efforts to manage safety. EANS has been getting better results, over the years and the safety in the company has improved a lot. EANS has to comply with EU reg. no. 2017/373 therefore mostly are requirements and measures coming from the regulation. EANS composed a Safety Strategy (a workflow/work plan) which is updated, followed and it consists different measures which are put in place.

** Refer to Annex O, if necessary.*

SECTION 3.2: ENVIRONMENT KPA

3.2 - Environment targets

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

a) Environment national performance targets

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

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

Annexes of relevance to this section

ANNEX P. JUSTIFICATIONS FOR THE LOCAL ENVIRONMENT TARGETS

3.2 - Environment targets

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

a) National environment performance targets

	2020A	2020	2021	2022	2023	2024
National reference values	*1,21%*	n/a	1,22%	1,22%	1,22%	1,22%

	2020	2021	2022	2023	2024
	Target	Target	Target	Target	Target
National targets	1,33%	1,22%	1,22%	1,22%	1,22%

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

There is no inconsistency between national targets and national reference values.

** Refer to Annex P, if necessary.*

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

Estonia has established a Free Route Airspace (NEFRA), together with NEFAB + DK-SE FAB states.

** Refer to Annex P, if necessary.*

SECTION 3.3: CAPACITY KPA

3.3 - Capacity targets

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

a) Capacity national performance targets

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

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

d) ATCO planning

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

a) Capacity national performance targets

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

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

Annexes of relevance to this section

ANNEX Q. JUSTIFICATIONS FOR THE LOCAL CAPACITY TARGETS

3.3 - Capacity targets

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

a) National capacity performance targets

	2020A	2020	2021	2022	2023	2024
National reference values	*0,00*	n/a	0,01	0,03	0,03	0,03

	2020	2021	2022	2023	2024
	Target	Target	Target	Target	Target
National targets	0,05	0,01	0,03	0,03	0,03

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

There is no inconsistency between national targets and national reference values.

** Refer to Annex Q, if necessary.*

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

Historical performance of EANS has been good on en-route and EANS expected to reach these targets.
In 2019 EANS has put into practice ACC 3rd sector which is opened at peak times.
EANS and ANS Finland have started cross-border co-operation project (FINEST) in 2018. FINEST is a bilateral cooperation programme between EANS and ANS Finland, aiming to implement dynamic cross-border services. It aims to provide contingency solutions, give flexibility during periods of operation (eg peak & night time), bring cost efficiencies and improve the service provided to the airspace users. It also brings benefit to handle more capacity in the future without or with less delays.

** Refer to Annex Q, if necessary.*

d) ATCO planning

	Actual			Planning			
Tallinn (EETT ACC)	2018	2019	2020	2021	2022	2023	2024
Number of additional ATCOs in OPS planned to start working in the OPS room (FTEs)		5	3	2	4	2	2
Number of ATCOs in OPS planned to stop working in the OPS room (FTEs)		6	10	0	2	2	2
Number of ATCOs in OPS planned to be operational **at year-end (FTEs)**	31	30	23	25	27	27	27

Additional comments

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

a) National capacity performance targets

		2020A	2020	2021	2022	2023	2024
		Actual	Target	Target	Target	Target	Target
National targets		*0,00*	0,00	0	0	0	0
Additional comments							
Airport level	***EETN-Tallin***	*0,00*	0,00	0,00	0,00	0,00	0,00
	Airport contribution to national targets						
	EETU-Tartu	*0,00*	0,00	0,00	0,00	0,00	0,00
	Airport contribution to national targets						

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

The terminal and airport ANS ATFM arrival delay has been monitored in the first and second reference period. At national level Estonia had a delay of 0.00 min per flight during RP1 and RP2. EANS has, at present time, not presented a proposal for targets for ANS ATFM arrival delay for the third reference period. The EANS and Estonian Transport Administration has limited knowledge at present time about whether the ANS ATFM arrival delay 0.00 min per flight can be maintained and at what cost, but it is expected that the delays related to causes under ANSP control will be at a very low level during RP3 as well. Therefore, TRAM has set the target for delays to be 0,00min/flt.
The punctuality of flights have always been excellent in Tallinn and Tartu, thus contributing to the EU wide performance.

** Refer to Annex Q, if necessary.*

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

At national level Estonia had a delay of 0.00 min per flight during RP1 and RP2. EANS is in a position that with the latest available forecast for the traffic a delay of 0.00 min per flight is performable. Reduced runway separation minima (RRSM), APP sectorisation option and technological equipment enable handle forecasted traffic without major delays.

** Refer to Annex Q, if necessary.*

SECTION 3.4: COST-EFFICIENCY KPA

3.4 - Cost efficiency targets

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

En Route Charging Zone #x

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

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

c) Detailed justifications for the adjustments to the baseline values

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

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

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

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

Terminal Charging Zone #x

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

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

c) Detailed justifications for the adjustments to the baseline values

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

e) Findings of the verification by the NSA (under Art. 22(7) of IR 2019/317) of the compliance of the cost base for charges with the requirements of Article 15(2) of Reg. 550/2004 and Article 22 of IR 2019/317, and where applicable identification of

3.4.3 - Pension assumptions

3.4.3.1 Total pension costs

3.4.3.2 Assumptions for the "State" pension scheme

3.4.3.3 Assumptions for the occupational "Defined contributions" pension scheme

3.4.3.4 Assumptions for the occupational "Defined benefits" pension scheme

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

3.4.5 - Restructuring costs

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

3.4.5.2 Restructuring costs planned for RP3

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

a) Overall description of the measures necessary to achieve the en-route capacity targets for RP3, which induce additional costs

b) Detailed information on the additional costs of measures necessary to achieve the capacity targets for RP3

c) Detailed information on the additional costs of measures necessary to achieve the capacity targets for RP3 by nature by ANSP

d) Demonstration that the deviation from the Union-wide targets is exclusively due to the additional determined costs related to measures necessary to achieve the performance targets in capacity

Annexes of relevance to this section

ANNEX A. REPORTING TABLES & ADDITIONAL INFORMATION (EN-ROUTE)
ANNEX B. REPORTING TABLES & ADDITIONAL INFORMATION (TERMINAL)
ANNEX F. BASELINE VALUES (COST-EFFICIENCY)
ANNEX H. RESTRUCTURING MEASURES AND COSTS
ANNEX M. COST ALLOCATION
ANNEX R. JUSTIFICATIONS FOR THE LOCAL COST-EFFICIENCY TARGETS
ANNEX U. VERIFICATION BY THE NSA OF THE COMPLIANCE OF THE COST BASE

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

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

Point 3.3 (f) on assumptions for pension costs and interest on debt for other entities, inflation forecast and adjustments beyong IFRS;
Point 3.3 (g) on adjustments to the unit rates carried over from previous reference periods;
Point 3.3 (h) on costs exempt from cost-sharing;
Point 3.3 (k) reporting tables and additional informations.

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

En Route Charging Zone #1 - Estonia

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

En route charging zone Name of the CZ	Baseline 2014 2014 B	Baseline 2019 2019 B	RP3 revised cost-efficiency targets (determined 2020-2024) 2020/2021 D	 2022 D	 2023 D	 2024 D	2024 D vs. 2014 B	2024 D vs. 2019 B
Total en route costs in nominal terms (in national currency)	18 292 000	29 778 642	53 862 873	26 786 115	28 336 431	29 613 617	61,9%	-0,6%
Total en route costs in real terms (in national currency at 2017 prices)	**18 825 527**	**28 808 243**	**51 961 914**	**25 297 780**	**26 447 397**	**27 337 166**	**45,2%**	**-5,1%**
Total en route costs in real terms (in EUR2017) [1]	18 825 527	28 808 243	51 961 914	25 297 780	26 447 397	27 337 166	45,2%	-5,1%
YoY variation			80,4%	-51,3%	4,5%	3,4%		
Total en route Service Units (TSU)	786 088	896 677	863 310	726 854	865 151	912 301	16,1%	1,7%
YoY variation			-3,7%	-15,8%	19,0%	5,4%		
Real en route unit costs (in national currency at 2017 prices)	**23,95**	**32,13**	**60,19**	**34,80**	**30,57**	**29,97**	**25,1%**	**-6,7%**
Real en route unit costs (in EUR2017) [1]	**23,95**	**32,13**	**60,19**	**34,80**	**30,57**	**29,97**	**25,1%**	**-6,7%**
YoY variation			87,3%	-42,2%	-12,2%	-2,0%		

National currency	**EUR**
[1] Average exchange rate 2017 (1 EUR=)	**1,00**

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

En route charging zone Name of the CZ	Baseline 2014 2014 B	Baseline 2019 2019 B	Actuals 2014 2014 A	Actuals 2019 2019 A	2014 Baseline adjustments	2019 Baseline adjustments
Total en route costs in nominal terms (in national currency)	18 292 000	29 778 642	18 292 000	29 778 642	0	0
Total en route costs in real terms (in national currency at 2017 prices)	**18 825 527**	**28 808 243**	18 825 527	28 808 243	0	0
Total en route costs in real terms (in EUR2017) [1]	18 825 527	28 808 243	18 825 527	28 808 243	0	0
Total en route Service Units (TSU)	789 800	900 911	789 800	900 911	-3 712	-4 234

c) Detailed justifications for the adjustments to the baseline values

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

Number of adjustments	0

c.2) Adjustments to the 2014 service units

Impact of transition to actual route flown	Coefficient M2/M3	Source	Service units
	-0,47%	CRCO correction factor May 2019 (on 12 months)	-3 712

Other adjustment to the 2014 service units	No

Total adjustments to the 2014 service units	-3 712

c.3) Adjustments to the 2019 baseline value for the determined costs

Number of adjustments	0

c.4) Adjustments to the 2019 service units

Impact of transition to actual route flown	Coefficient M2/M3	Source	Service units
	-0,47%	CRCO correction factor May 2019 (on 12 months)	-4 234

Other adjustment to the 2019 service units	No

Total adjustments to the 2019 service units	-4 234

d) Description and justification of the consistency between local and Union-wide cost-efficiency targets

Estonia'S 2019 baseline value (EUR 32,13) is considerably lower than the EU-target (EUR 50,23).
The Estonian revised en route cost-efficiency performance target is set to -6,5% from 2019B (32,13 EUR) to 2024D (29,97 EUR).
The ANSP has also made remarkable savings to staff and other operating costs in 2020-2021.

** Refer to Annex R, if necessary.*

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

Additional costs of measures necessary to achieve the capacity targets for RP3	No	
Restructuring costs planned for RP3	No	

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

EANS has cut costs in 2020-2021. Cost cutting measures include mainly staff lay-offs and other operating costs. These actions have made it possible to achieve the 2020/2021 costs below the 2019 about -12,8 % on average.
ANSP's cost cutting measures in 2020-2021 were following:
a) staff costs were in 2020-11%(-1,4M€) lover than on 2019, estimation for 2021 is that cost could be -2,9% (-0,3M €) lower than in 2020. These cuts include lay-offs, temporary lower salary paid in 2020 and abandoning collective agreement pay rise.
b) other operating costs were in 2020 -25%(-1,2M€) lower than in 2019 and cost could remain compearable to 2020 in 2021. Major savings were from travel and training costs due to travel restrictions.
c) capital costs have been decreased due to the lower capital in use than in 2019.

Total en route costs in nominal terms are estimated to be -0,6% compared to 2019 baseline and -5,1% lower compared to en route costs in real terms (in 2017)

** Refer to Annex R, if necessary.*

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

** Refer to Annex U, if necessary.*

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

Terminal Charging Zone #1 - Estonia - TCZ

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

Terminal charging zone Name of the CZ	Baseline 2019 2019 B	RP3 revised cost-efficiency targets (determined 2020-2024) 2020/2021 D	 2022 D	 2023 D	 2024 D	2024 D vs. 2019 B
Total terminal costs in nominal terms (in national currency)	**2 899 704**	5 098 809	2 393 127	2 528 987	2 646 202	**-8,7%**
Total terminal costs in real terms (in national currency at 2017 prices)	**2 824 999**	**4 918 779**	**2 254 405**	**2 355 293**	**2 438 319**	**-13,7%**
Total terminal costs in real terms (in EUR2017) [1]	**2 824 999**	**4 918 779**	**2 254 405**	**2 355 293**	**2 438 319**	**-13,7%**
YoY variation		74,1%	-54,2%	4,5%	3,5%	
Total terminal Service Units (TNSU)	19 884	18 173	17 372	18 786	19 870	-0,1%
YoY variation		-8,6%	-4,4%	8,1%	5,8%	
Real terminal unit costs (in national currency at 2017 prices)	**142,07**	**270,66**	**129,77**	**125,37**	**122,71**	**-13,6%**
Real terminal unit costs (in EUR2017) [1]	**142,07**	**270,66**	**129,77**	**125,37**	**122,71**	**-13,6%**
YoY variation		90,5%	-52,1%	-3,4%	-2,1%	

National currency	**EUR**
[1] Average exchange rate 2017 (1 EUR=)	**1,00**

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

Terminal charging zone Name of the CZ	Baseline 2019 2019 B	Actuals 2019 2019 A	2019 Baseline adjustments
Total terminal costs in nominal terms (in national currency)	2 899 704	2 899 704	0
Total terminal costs in real terms (in national currency at 2017 prices)	**2 824 999**	2 824 999	0
Total terminal costs in real terms (in EUR2017) [1]	2 824 999	2 824 999	0
Total terminal Service Units (TNSU)	19 884	19 884	0

c) Detailed justifications for the adjustments to the baseline values

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

Number of adjustments	0

c.2) Adjustments to the 2019 service units

Adjustment to the 2014 service units	No

d) Description and justification of the contribution of the the local targets to the performance of the European ATM network

The Estonian revised TNC cost-efficiency performance target is set to -13,63 % for the above mentioned period from 2019B (142,07 EUR) to 2024D (122,71 EUR), which is significant below the EU-wide target trendline.

** Refer to Annex R, if necessary.*

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

EANS has cut costs in 2020-2021. Cost cutting measures include mainly staff lay-offs and other operating costs. These actions have made it possible to achieve the 2020/2021 costs below the 2019 about -12,8 % on average.
ANSP's cost cutting measures in 2020-2021 were following:
a) other operating costs were in 2020 -11% lower than in 2019 and cost could remain below 2019 in 2021 as well. Major savings were from travel and training costs due to travel restrictions.
b) capital costs have been decreased due to the lower capital in use than in 2019.

Total terminal costs in nominal terms are estimated to be -8,7% compared to 2019 baseline and -13,7% lower compared to costs in real terms (in 2017)

** Refer to Annex R, if necessary.*

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

** Refer to Annex U, if necessary.*

3.4.3 - Pension assumptions

EANS

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

Pension costs	2020D	2021D	2020/2021D	2022D	2023D	2024D
Total pension costs	**2 595**	2 522	5 117	2 663	2 835	2 989
En-route activity	2 444	2 373	4 817	2 505	2 668	2 813
Terminal activity	151	149	299	159	167	176
Other activities			-			

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

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

<Staff category name>	2020D	2021D	2020/2021D	2022D	2023D	2024D
Total pensionable payroll to which this scheme applies	9 435	9 171	18 606	9 685	10 307	10 868
Employer % contribution rate to this scheme	20,0	20,0		20,0	20,0	20,0
Total pension costs in respect of this scheme	**1 887**	**1 834**	**3 721**	**1 937**	**2 061**	**2 174**
Number of employees the employer contributes for in this scheme	200	187		195	203	208

Description on the relevant national pension regulations and pension accounting regulations on which the assumptions are based, as well as information whether changes of those regulations are to be expected during RP3
The Estonian pension system stands on three pillars: I pillar: State pension, II pillar: Mandatory funded pension, III pillar: Supplementary funded pension. The state pension is paid out of the social tax calculated from salaries. Employers pay 33% of the salary of each employee for social tax, 13% whereof is for health insurance and 20% / 16%* is for the pensions of today's pensioners. The funded pension is based on preliminary financing – a working person himself or herself saves for his or her pension, paying 2% of the gross salary to the pension fund. The state adds 4% from the 33% social tax calculated on the salary of the employee. Subscribing to the funded pension is mandatory for the persons who were born in 1983 and later. However, the % of social security tax will not most probably change nearer future. EANS pays contributions to emplyee personal supplementary funded pension (III pillar) jointly with employees (7,5% of the salary). However, this is as a part of the salary cost in our budget.

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

Describe the actions taken ex-ante to manage the cost-risk (cost increase) associated with this item, as well as the actions taken to limit the impact of the unforeseen change on the costs to be passed on to airspace users
The contribution rate and law changes are set by the state and there is no means to mitigate this risk by ANSP.

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

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

<Staff category name>	2020D	2021D	2020/2021D	2022D	2023D	2024D
Total pensionable payroll to which this scheme applies	9 435	9 171	18 606	9 685	10 307	10 868
Employer % contribution rate to this scheme	7,5	7,5		7,5	7,5	7,5
Total pension costs in respect of this scheme	**708**	**688**	**1 395**	**726**	**773**	**815**
Number of employees the employer contributes for in this scheme	200	187		195	203	208

Description on the relevant national pension regulations and pension accounting regulations on which the assumptions are based, as well as information whether changes of those regulations are to be expected during RP3
EANS pays contributions to emplyee personal supplementary funded pension (III pillar) jointly with employees (7,5% of the salary).

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

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

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

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

	2020D	2021D	2020/2021D	2022D	2023D	2024D
Total pensionable payroll to which this scheme applies			-			
Total pension costs in respect of this scheme			-			
- in respect of regular pension costs			-			
- in respect of non-recurring deficit repair			-			
- reported as staff costs (in reporting tables)			-			
- not reported as staff costs (in reporting tables): please use comment box			-			
Actuarial assumptions						
% discount rate						
% projected increase in benefits						
% annual increase in salaries						
% expected return on plan assets						
Net funding surplus / deficit			-			
Number of employees the employer contributes for in this scheme						

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

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

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

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

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

EANS

Select number of loans	4

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

Loan #1	2020D	2021D	2020/2021D	2022D	2023D	2024D
Description	Investment loan from 2010, deadline 18,05.2022					
Remaining balance	1 429 003	423 900				
Interest rate %	1,69%	1,69%				
Interest amount	17 350	16 606	33 957			

Loan #2	2020D	2021D	2020/2021D	2022D	2023D	2024D
Description	Investment loan from 2017, deadline 04.09.2027					
Remaining balance	4 616 925	3 962 407		3 297 879	2 623 187	1 938 282
Interest rate %	1,50%	1,50%		1,50%	1,50%	1,50%
Interest amount	81 024	65 573	146 597	55 562	44 528	33 417

Loan #3	2020D	2021D	2020/2021D	2022D	2023D	2024D
Description	Investment loan from 2019, deadline 05.11.2023 with an option to extend for another 5 years					
Remaining balance	10 000 000	10 000 000		10 000 000	10 000 000	10 000 000
Interest rate %	1,29%	1,29%		1,29%	1,29%	1,29%
Interest amount	140 387	130 385	270 773	130 385	130 385	130 385

Loan #4	2020D	2021D	2020/2021D	2022D	2023D	2024D
Description	EC loan from 2020					
Remaining balance	3 915 564	783 113				
Interest rate %	1,50%	1,50%				
Interest amount	27 172	41 001	68 173			

Other loans	2020D	2021D	2020/2021D	2022D	2023D	2024D
Description						
Remaining balance						
Average weighted interest rate %	-	-		-	-	-
Interest amount			-			

Total loans	2020D	2021D	2020/2021D	2022D	2023D	2024D
Total remaining balance	19 961 492	15 169 420		13 297 879	12 623 187	11 938 282
Average weighted interest rate %	1,33%	1,67%		1,40%	1,39%	1,37%
Interest amount	265 934	253 565	519 499	185 947	174 913	163 802

3.4.5 - Restructuring costs

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

Restructuring costs from previous reference periods approved by the European Commission?	No

3.4.5.2 Restructuring costs planned for RP3

Restructuring costs foreseen for RP3?	No

Additional comments

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

Additional costs of measures necessary to achieve the capacity targets for RP3?	No

SECTION 3.5: ADDITIONAL KPIS / TARGETS

3.5 Additional KPIs / Targets

Annexes of relevance to this section

ANNEX J. OPTIONAL KPIs AND TARGETS

3.5 - Additional KPIs / Targets

Number of additional KPIs	0

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

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

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

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

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

a) Do the measures to reach the targets in the different KPAs require changes in the ANSP functional system that have safety implications? If yes, which mitigation measures are put in place?
Measures to reach the targets in the different KPAs requires no changes in the EANS functional system that have safety implications. The changes to EANS existing functional systems that will have safety implications are mainly related to the FINEST cross-border service provision programme.

b) What are the main assumptions used to assess the interdependencies between safety and other KPAs?
The overall safety level of EANS has been very good in the recent years. It is expected that the performance plan will not have negative effect on safety, however, this need to be evaluated constatly by the TRAM during the reference period.

c) What metrics, other than those indicators described in the Regulation, are you monitoring during RP3 to ensure targets in the KPAs of capacity , environment, and cost-efficiency are not degrading safety?
No additional metrics.

d) Do targets allow trade-offs in operational decision making to managing resource shortfalls in order to preserve safety performance? Do targets restrict the release of staff for safety activities, such as training?
Continuing the long-term resource planning, including the safety related activities, i.e. training, ensures that no adverse trade-offs are foreseen within the reference period.

e) Has the State reviewed the ANSP financial and personnel resources that are needed to support safe ATC service provision through safety promotion, safety improvement, safety assurance and safety risk management after changes introduced to achieve targets in other KPAs? Please, explain.
Yes, mainly through change management process (ref. section 4.3 - Change management)

3.6.2 - Interdependencies and trade-offs between capacity and environment

No trade-off needs expected between capacity and environment.

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

The en-route delays have been very close to zero. According to EANS it is expected that the delay situation remains the same, close zero delays are expected during RP3 also after the traffic starts to recover again. The costs for producing this quality of service has been taken into account in the cost base and the EANS has indicated that they have no (or minimal) additional costs in providing this level of capacity compared to target capacity and therefore TRAM is not aware of any specific investments that is required to maintain the current level of capacity compared to the target capacity. In TN service there have been no delays.

3.6.4 - Other interdependencies and trade-offs

Not applicable

SECTION 4: CROSS-BORDER INITIATIVES AND SESAR IMPLEMENTATION

4.1 - Cross-border initiatives and synergies

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

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

4.2 - Deployment of SESAR Common Projects

4.3 - Change management

Annexes of relevance to this section

ANNEX N. CROSS-BORDER INITIATIVES

4.1 - Cross-border initiatives and synergies

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

Number of cross-border initiatives	1

Initiative #1	
Name	FINEST co-operation between EANS and ANS Finland
Description	Dynamic cross-border service provision
Expected performance benefits	Finest solutions meet the customer expectations and EU RP targets by improved safety, enhanced efficiency, increased capacity, reduced impact on the environment and make us even more competitive and sustainable in the market. Analysis proves that through cross-border service we are able to increase in capacity using the existing resources by approximately 20% when comparing the 2019 traffic with the 2024 expected traffic (comparison was done before Covid-19). Dynamic use of cross-border sectors will allow us to route traffic even more efficiently increasing also safety as the dynamic sectorization shall be done based on traffic flows. Streamlining the operational resources (both technical and operational) will provide cost savings. Future joint investments to different technical solutions for ATM will provide also cost savings.

Additional comments

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

Details of synergies in terms of common infrastructure and common procurement
EANS's and Fintraffic ANS ATM systems upgrades in a coordinated way to enable FINEST implementation. Common airspace structure and common systems offers to our customers to benefit from full FRA environment over state boundaries. EANS and Fintraffic shall keep the working environment for the ATCOs all the same which means that majority of the technical upgrades shall be implemented jointly on both sides (ATM system, VCS system, Infosystem, Contingency solutions etc) which is cost-effective. Agreement between EANS and Fintraffic ANS shall be included with the joint procurement guidelines to be followed by both sides. In general it means cost reduction for both parties involved and to the customers. As two companies will be in close cooperation related to FINEST, other cooperation areas shall be discussed in the future (e.g. future UTM implementation etc).

4.2 - Deployment of SESAR Common Projects

4.2.1 - Common Project One (CP1)

CP1 ATM Functionality (CP1-AF) / Sub functionality (CP1-s-AF)	Recent and expected progress
CP1-AF1 - Extended AMAN and Integrated AMAN/DMAN in High-Density TMAs	
CP1-s-AF1.1 AMAN extended to en-route airspace	No planned activities. Tallinn Airport is not listed in CP1 Geographical Scope.
CP1-s-AF1.2 AMAN/DMAN Integration	No planned activities. Tallinn Airport is not listed in CP1 Geographical Scope.
CP1-AF2 - Airport Integration and Throughput	
CP1-s-AF2.1 DMAN synchronised with predeparture sequencing	No planned activities. Tallinn Airport is not listed in CP1 Geographical Scope.
CP1-s-AF2.2.1 Initial airport operations plan (iAOP)	No planned activities. Tallinn Airport is not listed in CP1 Geographical Scope.
CP1-s-AF2.2.2 Airport operations plan (AOP)	No planned activities. Tallinn Airport is not listed in CP1 Geographical Scope.
CP1-s-AF2.3 Airport safety nets	No planned activities. Tallinn Airport is not listed in CP1 Geographical Scope.
CP1-AF3 - Flexible Airspace Management and Free Route Airspace	
CP1-s-AF3.1 Airspace management and advanced flexible use of airspace	3.1.1 Initial ASM Tool to support AFUA - fully implemented; 3.1.2 ASM management of real time data - implemented; 3.1.3 Full rolling ASM/ATFCM process - fully implemented; 3.1.4 Management of dynamic Airspace configurations - in progress, planned implementation date is 31.12.2021
CP1-s-AF3.2 Free route airspace	Fully implemented
CP1-AF4 - Network Collaborative Management	
CP1-s-AF4.1 Enhanced short-term ATFCM measures	Activities planned within FINEST
CP1-s-AF4.2 Collaborative NOP	No specific activities planned, cooperation with NM
CP1-s-AF4.3 Automated support for traffic complexity assessment	Cooperation with NM. Some discussions are held in FINEST level.
CP1-s-AF4.4 AOP/NOP integration	No planned activities. Tallinn Airport is not listed in CP1 Geographical Scope.
CP1-AF5 - SWIM	
CP1-s-AF5.1 Common infrastructure components	5.1.1 PENS 1 version 1 - implemented; 5.1.2 New PENS - implemented 31.12.2020;
CP1-s-AF5.2 SWIM yellow profile technical infrastructure and specifications	SWIM development acitvities are planned to start from 2023 with the implementation on 2025
CP1-s-AF5.3 Aeronautical information exchange	Will be implemented with SWIM and information exchange system developments. Development starts 2023, systems ready 2025. Digital NOTAM is already available through Frequentis CADAS systems.
CP1-s-AF5.4 Meteorological information exchange	Meteoroligical information exchange will be established with SWIM implementation which starts from 2023 and will be ready 2025

CP1-s-AF5.5 Cooperative network information exchange	Will be implemented with SWIM and information exchange system developments. Development starts 2023, systems ready 2025.
CP1-s-AF5.6 Flight information exchange (yellow profile)	Will be implemented with SWIM and information exchange system developments. Development starts 2023, systems ready 2025.
CP1-AF6 - Initial Trajectory Information Sharing	
CP1-s-AF6.1 Initial air-ground trajectory information sharing	Will be implemented together with Finntrafic through Thales Topsky and Datalink developement. Date not available yet.
CP1-s-AF6.2 Network Manager trajectory information enhancement	Will be implemented together with Finntrafic through Thales Topsky and Datalink developement. Date not available yet.
CP1-s-AF6.3 Initial trajectory information sharing ground distribution	Will be implemented together with Finntrafic through Thales Topsky and Datalink developement. Date not available yet.

4.3 - Change management

Change management practices and transition plans for the entry into service of major airspace changes or for ATM system improvements, aimed at minimising any negative impact on the network performance
Change management process is regulated in EANS by Change Management procedure (J3P5 Funktsionaalsete süsteemide muudatuste haldamine). Those procedures are in line with regulation (EU) 2017/373 and approved by Esonian Transport Administration. These procedures are regularly audited by TRAM in the framework of Implementing Regulation (EU) No 2017/373. EANS is required to notify all planned changes to TRAM a minimum of 30 days before entry into service. Major changes are required to be notified as soon as possible. TRAM has also internali established administrative procedures and work instructions for change management according to Implementing Regulation (EU) No 2017/373. Notified changes are assessed and reviewed in accordance with TRAM's change management procedures.

SECTION 5: TRAFFIC RISK SHARING ARRANGEMENTS AND INCENTIVE SCHEMES

5.1 - Traffic risk sharing parameters

5.1.1 Traffic risk sharing - En route charging zones

5.1.2 Traffic risk sharing - Terminal charging zones

5.2 - Capacity incentive schemes

5.2.1 - Capacity incentive scheme - Enroute

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

5.2.1.2 Rationale and justification - Enroute

5.2.2 - Capacity incentive scheme - Terminal

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

5.2.2.2 Rationale and justification - Terminal

5.3 - Optional incentives

Annexes of relevance to this section

ANNEX G. PARAMETERS FOR THE TRAFFIC RISK SHARING

ANNEX I. PARAMETERS FOR THE MANDATORY CAPACITY INCENTIVES

ANNEX K. OPTIONAL INCENTIVE SCHEMES

5.1 - Traffic risk sharing

5.1.1 Traffic risk sharing - En route charging zones

Estonia			Traffic risk-sharing parameters adapted?			no
			Service units lower than plan		Service units higher than plan	
	Dead band	Risk sharing band	% loss to be recovered	Max. charged if SUs 10% < plan	% additional revenue returned	Min. returned if SUs 10% > plan
Standard parameters	±2,00%	±10,0%	70,0%	5,6%	70,0%	5,6%

5.1.2 Traffic risk sharing - Terminal charging zones

Estonia - TCZ			Traffic risk-sharing parameters adapted?			no
			Service units lower than plan		Service units higher than plan	
	Dead band	Risk sharing band	% loss to be recovered	Max. charged if SUs 10% < plan	% additional revenue returned	Min. returned if SUs 10% > plan
Standard parameters	±2,00%	±10,0%	70,0%	5,6%	70,0%	5,6%

5.2 - Capacity incentive schemes

5.2.1 - Capacity incentive scheme - Enroute

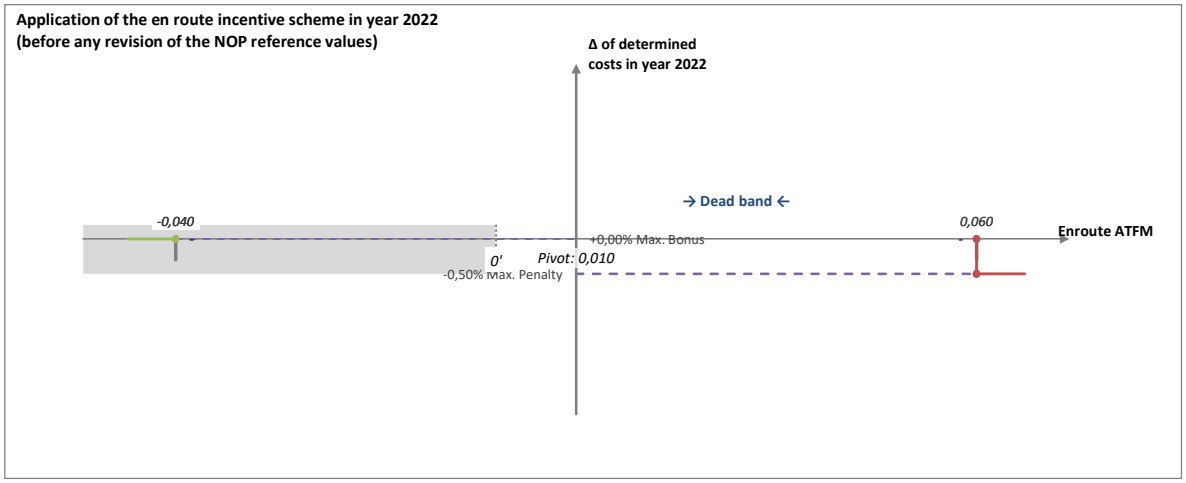
5.2.1.1 Parameters for the calculation of financial advantages or disadvantages - Enroute

Enroute	Expressed in	Value
Dead band Δ	fraction of min	±0,050 min
Max bonus (≤2%)	*% of DC*	0,00%
Max penalty (≥ Max bonus)	*% of DC*	0,50%
The pivot values for RP3 are	modulated	

EANS

		2020	2021	2022	2023	2024
NOP reference values (mins of ATFM delay per flight)				0,03	0,03	0,03
Alert threshold (Δ Ref. value in fraction of min)				±0,050	±0,050	±0,050
Performance Plan targets (mins of ATFM delay per flight)				0,03	0,03	0,03
Pivot values for RP3 (mins of ATFM delay per flight)*				0,01	0,01	0,01
Financial advantages / disadvantages	Dead band range			[0-0,06]	[0-0,06]	[0-0,06]
	Bonus sliding range			n/a	n/a	n/a
	Penalty sliding range			[0,06-0,06]	[0,06-0,06]	[0,06-0,06]

** When modulation applies, these figures are only indicative as they will be updated annually on the basis of the November n-1 NOP and the methodology described in 5.2.1.2.a2 below. The pivot values for year n have to be notified to the EC by 1 January n.*



5.2.1.2 Rationale and justification - Enroute

Indicate which of the principles below will be applied for the modulation of the pivot values for the whole RP3:	
a) In order to enable significant and unforeseen changes in traffic to be taken into account:	
a.1) The pivot value for year n IS the reference value from the November release of year n-1 of the NOP.	No
a.2) The pivot value for year n is informed by the November release of the year n-1 of the NOP and calculated according to the following principles and formulas:**	Yes
Referring to RP 2 figures en-route delays have been very close to zero (up to 0,03´) except 2018 where delay was 0,1´. According to EANS it is expected that the delay situation remains more or less the same. Close to zero delays are expected during RP3. It is in the interest of EANS to serve continuosly at this excellent level. Target is set to NOP reference values. There will be a penalty of 0,5 % if actual delay is 0,01´ below (or worse) from the target. As those values are very low when comparing to the Union wide target, we are on the opinion, that there should be no real penalties below the target values, especcialy taking into account that it is expected that the delay situation remains more or less the same. The pivot value will be set yearly with the same principle as presented in the table above and taking into account the possible changing NOP reference values during RP3.	
b) The scope of the incentives is limited to delay causes related to ATC capacity, ATC routing, ATC staffing, ATC equipment, airspace management and special events with the codes C, R, S, T, M and P of the ATFCM user manual. If yes, provide below a justification for this decision and an explanation of how the pivot values are calculated.	No

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

5.2.2 - Capacity incentive scheme - Terminal

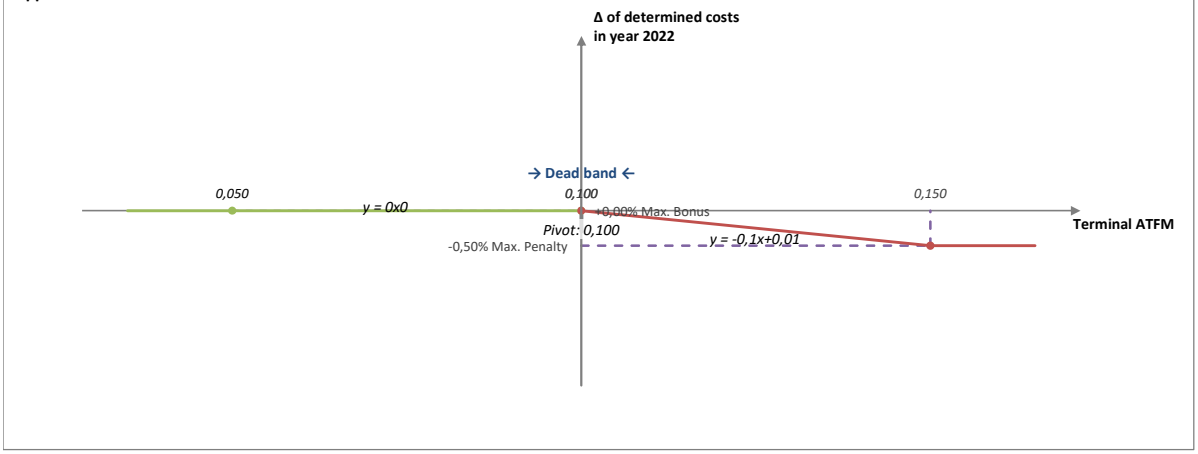
5.2.2.1 Parameters for the calculation of financial advantages or disadvantages - Terminal

Terminal	Expressed in	Value
Dead band Δ	fraction of min	
Bonus/penalty range (% of pivot value)	*%*	±50%
Max bonus	*% of DC*	0,00%
Max penalty	*% of DC*	0,50%
The pivot values for RP3 are	modulated	

		2020	2021	2022	2023	2024
Performance Plan targets (mins of ATFM delay per flight)				0	0	0
Bonus/penalty range Δ (in fraction of min)				±0,050	±0,050	±0,050
Pivot values for RP3 (mins of ATFM delay per flight)*				0,10	0,10	0,10
Financial advantages / disadvantages	Dead band range			[0,1-0,1]	[0,1-0,1]	[0,1-0,1]
	Bonus sliding range			[0,05-0,1]	[0,05-0,1]	[0,05-0,1]
	Penalty sliding range			[0,1-0,15]	[0,1-0,15]	[0,1-0,15]

** When modulation applies, these figures are only indicative as they will be updated annually on the basis of the methodology described in 5.2.1.2.a below. The pivot values for year n have to be notified to the EC by 1 January n.*

Application of the terminal incentive scheme



5.2.2.2 Rationale and justification - Terminal

Explain how the bonus and penalties are going to be apportioned between the different terminal charging zones and ANSPs providing services in each of them**
N/A. Only one terminal charging zone.

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

Indicate which of the principles below will be applied for the modulation of the pivot values for the whole RP3:	
a) The pivot value for year n is modulated in order to enable significant and unforeseen changes in traffic to be taken into account and is based on the principles explained below:**	Yes
Referring to RP 2 actual figures terminal delays have been zero. According to EANS it is expected that the delay situation remains same. 0 delays are expected during RP3. Target is set to keep 0 delays in terminal. There will be a penalty of 0,5 % if actual delay is below 0,1´. The purpose of this incentive schmeme is to encourage to keep excellent performance compearing the Union wide target. There should be dead band between 0-0,1´ ie. no penalties below the target values because those values are still very low when comparing e.g. to the Union wide target.	
b) The scope of the incentives is limited to delay causes related to ATC capacity, ATC routing, ATC staffing, ATC equipment, airspace management and special events with the codes C, R, S, T, M and P of the ATFCM user manual. If yes, provide below a justification for this decision and an explanation of how the pivot values are calculated.	No

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

5.3 - Optional incentives

Total maximum bonus for all optional incentives (≤2%):	0,0%	Total maximum penalty for optional incentives (≤4%):	0,0%

Number of optional incentives	Click to select

SECTION 6: IMPLEMENTATION OF THE PERFORMANCE PLAN

6.1 Monitoring of the implementation plan

6.2 Non-compliance with targets during the reference period

6 - IMPLEMENTATION OF THE PERFORMANCE PLAN

6.1 Monitoring of the implementation plan

Description of the processes put in place by the NSA to monitor the implementation of the Performance Plan including the yearly monitoring of all KPIs and PIs defined in Annex I of the Regulation and a description of the data sources
TRAM is responsible for monitoring and overseeing performance in Estonia. TRAM is allowed to obtain information from ANSP and other entitites based on Aviation Act. This will be done as necessary, to monitor the performance and conduct oversight. All KPIs and PIs defined in Annex I of the Regulation will be monitored by TRAM at least yearly. Performance dashboards will provide access to national data. TRAM is monitoring all KPIs on a regular basis through various data sources (e.g. PRB Dashboard, PRU portal, local ANSP-s data). Monitoring report will be submitted to the Commission not later than 1 June of each year.

6.2 Non-compliance with targets during the reference period

Description of the processes put in place and measures to be applied by the NSA to address the situation where targets are not reached during the reference period
If TRAM notices that targets are not reached, it will approach EANS to discuss about the situation and what can be done to improve. TRAM can and will propose corrective actions if targets are not met accordingly, and if corrective actions are not taken by the EANS on their own initiative after dialogue with TRAM.

7 - ANNEXES

ANNEX A. REPORTING TABLES & ADDITIONAL INFORMATION (EN-ROUTE)
    ANNEX A.x - En route Charging Zone #x
ANNEX B. REPORTING TABLES & ADDITIONAL INFORMATION (TERMINAL)
    ANNEX B.x - Terminal Charging Zone #x
ANNEX C. CONSULTATION
ANNEX D. LOCAL TRAFFIC FORECASTS
ANNEX E. INVESTMENTS
ANNEX F. BASELINE VALUES (COST-EFFICIENCY)
ANNEX G. PARAMETERS FOR THE TRAFFIC RISK SHARING
ANNEX H. RESTRUCTURING MEASURES AND COSTS
ANNEX I. PARAMETERS FOR THE MANDATORY CAPACITY INCENTIVES
ANNEX J. OPTIONAL KPIs AND TARGETS
ANNEX K. OPTIONAL INCENTIVE SCHEMES
ANNEX L. JUSTIFICATION FOR SIMPLIFIED CHARGING SCHEME
ANNEX M. COST ALLOCATION
ANNEX N. CROSS-BORDER INITIATIVES
ANNEX O. JUSTIFICATIONS FOR THE LOCAL SAFETY TARGETS
ANNEX P. JUSTIFICATIONS FOR THE LOCAL ENVIRONMENT TARGETS
ANNEX Q. JUSTIFICATIONS FOR THE LOCAL CAPACITY TARGETS
ANNEX R. JUSTIFICATIONS FOR THE LOCAL COST-EFFICIENCY TARGETS
ANNEX S. INTERDEPENDENCIES
ANNEX T. OTHER MATERIAL
ANNEX U. VERIFICATION BY THE NSA OF THE COMPLIANCE OF THE COST BASE
ANNEX Z. CORRECTIVE MEASURES*
** Only as per Article 15(6) of the Regulation*