

Purpose

Purpose of this note is to represent cost correlation backdrop of passenger boarding charges for Rome Fiumicino and Ciampino airports with specific focus on articulation in charges foreseen between passenger clusters with dom-EU destinations and with non-EU destinations (from now on for simplicity also 'dom-EU passengers' and 'non-EU passengers'). The abovesaid articulation has been in application at the two airports since before the entry into force of the Economic Regulation Agreement (ERA) signed between ADR and ENAC that in 2012 provided for a new, overarching, set of economic rules for transparent and non-discriminatory tariff-making compliant with Directive 12/2009/EC. Throughout the abovesaid period, 'non-EU' differential in boarding charges of +61% and +3% for FCO and CIA (from now on for simplicity also 'non-EU' differential), respectively, have consistently been an element of ADR's yearly charges' updates, absent any complaints by the two airports' users.

UK's exit from EU triggered the potential application of 'non-EU' differential to traffic having UK destinations. On a backdrop of ADR's request for abovesaid application under the temporary freeze of regulated charges (as per ART's Resolution n. 68/2021) and users' positions emerged in consultations in Q1 2022, ART's Resolution n. 232/2022 required ADR to stage a consultation update on 2022 charges determination in consideration of split of costs and passengers' volumes between the two traffic clusters (UE/non-UE) as re-balanced consequent to passengers with UK destinations being re-located to non-EU.

FCO's boarding fee

The analysis ADR shares with users on this occurrence aims at providing a transparent framework of application to calculating 'non-EU' differentials on grounds of correlation to costs of infrastructures and services provided by the airport operator in compliance with the principles set forth in Directive 12/2009/EC (article 7) transposed into Italian law with Legislative Decree no. 1/2012 (subsequently converted into Law no. 27/2012) and ENAC-ADR's Economic Regulation Agreement¹.

In order to provide a comprehensive coverage of the subject, we share calculation of 'non-EU' differential both in case of passengers with UK destinations within EU traffic cluster (see '1-FCO' below) and passengers with UK destinations within non-EU traffic cluster (see '2-FCO' below). In both cases, pillars for determining structure of charges of passenger boarding service are as follows:

- underpinnings of costs analysis from the certified Regulatory Accounts for fiscal year 2019 (last available year before the disruptions to airport operations brought about by the insurgence of COVID-19);
- volumes as extracted from regulatory accounts for same year (fiscal year 2019) for relevance to abovesaid costs;
- mapping of the Terminal areas for reception and boarding of passenger clusters²;
- consideration of different level of use of specific airport infrastructures by passenger clusters.

We anticipate the conclusions of this note (also represented in tables below):

¹ Art. 25.4 of ENAC-ADR ERA introduces the principle of "economic neutrality" for changes to charges' articulation

² Relative weight of areas used by the different passenger clusters is the main driver of cost allocation trickling-down to the multi-tier – EU/non-EU, originating/transit – articulation of boarding pax service charges in application at FCO. Please see "Linee Guida ENAC applicative della Delibera CIPE 38/2007" (December 2008) at 5.2.1.1 ("Criteria for identifying and allocating costs") that labels the "square meter driver" as one of the founding criteria for the allocation of costs to services where it reports: "the "pro quota" allocation referred to of costs such as: cleaning; utilities; maintenance; depreciation is achievable [...] with the square meter driver."

- 1) in case of passengers with UK destinations considered within the EU traffic cluster (as per pre-Brexit conditions) cost-correlated 'non-EU' differential is equal to 67% (please see table 1-FCO and table [a.])
- 2) in case of passengers with UK destinations considered within the non-EU traffic cluster (post-Brexit), cost-correlated 'non-EU' differential is equal to 50% (please see table 2-FCO and table [c.]), as resulting from application of cost sensitivities to change in traffic insisting on terminal areas/other infrastructures (please see table [c.1])
- 3) from "2)" above we derive that equilibrium charges for originating traffic (adult) for fiscal year 2022 are (i.) equal to 15.99 €/pax (EU) and 23.96 €/pax (non-EU) or (ii.) when compared to those applied by ADR in 2022 are lower by -0.00 €/pax for EU originating (adult) cluster and by -1.83 €/pax for non-EU originating (adult) cluster (please see table 3-FCO for equilibrium values of all articulated charges)

3.

1-FCO) Passengers with UK destinations considered within EU traffic cluster

UK in EU		Pax % of total	Tariff	Tariff*pax	Revenue contribution %	Costs split	Differential for non-EU traffic %
		[a]	[b]	[c=a*b]	[d=sub c / tot c]	[e]	[f=e/d-1]
Pax/tariffs	Originating EU	55,7%	1,00	0,56	64,3%		
	Originating non-EU	23,6%	1,00	0,24	27,3%		
	Transit EU	12,4%	0,35	0,04	5,0%		
	Transit non-EU	8,3%	0,35	0,03	3,4%		
	Total (*)	100,0%		0,85	100,0%		
	Total EU (*)	68,0%			69,4%		
	Total non-EU (*)	32,0%			30,6%		30,6%
Costs	Costs - pax EU					48,8%	
	Costs - pax non-EU					51,2%	51,2%
	Total					100%	
Differential	non-EU differential %						67,4%

(*) Includes effect on children passengers

³ ADR remains at disposal of ART for calculation of economic impact and subsequent resetting of equilibrium charges

2-FCO) Passengers with UK destinations considered within non-EU traffic cluster

UK in non-EU		Pax % of total	Tariff	Tariff*pax	Revenue contribution %	Costs split	Differential for non-EU traffic %
		[a]	[b]	[c=a*b]	[d=sub c / tot c]	[e]	[f=e/d-1]
Pax/tariffs	Originating UE	50,7%	1,00	0,51	58,5%		
	Originating non-UE	28,6%	1,00	0,29	33,1%		
	Transit UE	12,0%	0,35	0,04	4,9%		
	Transit non-UE	8,7%	0,35	0,03	3,5%		
	Total (*)	100,0%		0,85	100,0%		
	Total EU (*)	62,7%			63,5%		
	Total non-EU (*)	37,3%			36,5%		36,5%
Costs	Costs - pax EU					45,3%	
	Costs - pax non-EU					54,7%	54,7%
	Total					100%	
Differential	non-EU differential %						49,8%

(*) Includes effect on children passengers

3-FCO) Impacts on applicable charges⁴

Charges (€)		Charges in application	Charges in application	Charges as per cost correlation update	Δ
		2021	2022	2022	
Adult	Originating within EU	15,99	15,99	15,99	(0,00)
	Originating within non-EU	25,79	25,79	23,96	(1,83)
	Transfer within EU	5,60	5,60	5,60	(0,00)
	Transfer within non-EU	9,03	9,03	8,38	(0,64)
Children	Originating within EU	7,99	7,99	7,99	(0,00)
	Originating within non-EU	12,89	12,89	11,98	(0,92)
	Transfer within EU	2,80	2,80	2,80	(0,00)
	Transfer within non-EU	4,51	4,51	4,19	(0,32)
non-EU differential %		61%	61%	50%	

⁴ After calculating cost-correlated 'non-EU' differential in boarding charges as in '2-FCO' above, we applied it to 2022 charges in application (the latter being equal to 2021 charges in application for purposes linked to 2021 *ex-ante* cost correlation, as per 2017-2021 regulatory period determinations, in compliance with ART's Resolution no. 68/2021).

1) Passengers with UK destinations within EU traffic cluster

Using data extracted from evidence provided by certified Regulatory Accounts for fiscal year 2019, table [a.] shows total costs allocated to passenger boarding service equalling € 343 M that we present divided by:

- single infrastructure on the basis of spaces (sq. meters) deployed by airport users;
- single line of infrastructure costs broken down between EU and ex-EU traffic clusters

With regard to the above, it should be noted that:

- infrastructures represented by passengers' boarding areas and baggage reclaiming areas are for exclusive use of the relevant traffic clusters (EU / non-EU) with obvious consequences on cost allocation (entirely allocated to the relative customer cluster);
- costs of areas termed "Terminal" – broadly speaking represented by passenger acceptance and surrounding areas – are divided on the basis of relative use by traffic cluster⁵
- costs related to centralised infrastructures such as passenger acceptance system, BHS systems, public information and announcements are divided between traffic clusters on volume of passengers passing through the corresponding dedicated areas of Terminal.

For each infrastructure line table [a.] below represents allocation(s) of service costs to traffic clusters.

This analysis shows that costs allocated to dom-EU and non-EU traffic clusters correspond to 48.8% and 51.2% of total service costs, respectively.

⁵ Split is performed with calculations underpinned by specific assignment of boarding areas to each flight destinations

Table [a.] – Allocation of costs between infrastructures and traffic clusters (UK traffic in EU)

Infrastructures (/000)	Total costs	EU abs	non-EU abs	EU %	non-EU %
Terminal 1	41.860	34.449	7.411	82,3%	17,7%
Terminal 3	70.885	31.597	39.288	44,6%	55,4%
Boarding area B	18.186	18.186	0	100,0%	0,0%
Boarding area C	14.623	14.623	0	100,0%	0,0%
Boarding area D	21.372	21.372	0	100,0%	0,0%
Boarding areas E and pier	92.227	0	92.227	0,0%	100,0%
BHS T1	23.482	19.616	3.866	83,5%	16,5%
BHS T3	43.761	19.141	24.621	43,7%	56,3%
T1 Baggage drop off	6.469	6.469	0	100,0%	0,0%
T3 Baggage drop off	6.689	0	6.689	0,0%	100,0%
Baggage in transit	453	271	182	59,8%	40,2%
T1 Passengers acceptance system	650	535	115	82,3%	17,7%
T3 Passengers acceptance system	1.204	537	667	44,6%	55,4%
T1 Public announcement	241	199	43	82,3%	17,7%
T3 Public announcement	111	50	62	44,6%	55,4%
T1 Public information	265	218	47	82,3%	17,7%
T3 Public information	371	166	206	44,6%	55,4%
Total	342.851	167.427	175.424	48,8%	51,2%

Recap

Boarding area (exclusive costs)	146.408	54.181	92.227	37,0%	63,0%
Terminal (shared costs)	112.745	66.046	46.699	58,6%	41,4%
BHS (shared costs)	67.244	38.757	28.487	57,6%	42,4%
Baggage (exclusive costs)	13.611	6.740	6.871	49,5%	50,5%
Others (shared costs)	2.843	1.704	1.140	59,9%	40,1%
Total	342.851	167.427	175.424	48,8%	51,2%

Table [b.] below portrays the following evidence:

- Paying passengers divided according to the structure of the boarding service (absolute and percentage values) which in 2019 were 20,496 thousand units with 68% dom-EU (13.947) and 32% non-EU (6.549) (a, b);
- Equilibrium charge per passenger, considering: (i) equal to 1 a charge applied to adult originating passengers; (ii) applicable charge to passengers in transit compared to the original passengers (-65%) (c); (iii) applicable charge to children compared to adults (-50%) (c);
- Revenue contribution of the individual traffic cluster, weighted by passengers (d, e) in compliance with the principle of economic neutrality, showing that non-EU cluster accounts for 30.6% and dom-EU cluster 69.4%;
- Combination of (i.) correlation to costs per non-EU passenger (51.2%) (as shown in table a.) and (ii.) contribution of the same non-EU passengers to revenues resulting in a non-EU differential of **67%** (g)

Table [b.] – Cost-correlated ‘non-EU’ differential (UK traffic in EU)

Co.Re 2019 - FCO	Paying pax (abs)	Paying pax (%)	Tariff (*)	Tariff* paying pax %	Revenue contribution (**) of the traffic cluster (***)
	a	b	c	d= (b* c)	e= (sub. d / total d)
Transfer within EU adults	2.451	12,0%	0,35	0,04	4,9%
Transfer within non-EU adults	1.646	8,0%	0,35	0,03	3,3%
Transfer within EU children	85	0,4%	0,18	0,00	0,1%
Transfer within non-EU children	61	0,3%	0,18	0,00	0,1%
Originating within EU adults	11.044	53,9%	1,00	0,54	63,4%
Originating within non-EU adults	4.635	22,6%	1,00	0,23	26,6%
Originating within EU children	368	1,8%	0,50	0,01	1,1%
Originating within non-EU children	208	1,0%	0,50	0,01	0,6%
Total EU	13.947	68,0%			69,4%
Total non-EU	6.549	32,0%			30,6%
Total	20.496	100,0%		0,85	100,0%
Revenue contribution of the cluster non-EU % (e)					30,6%
Costs allocated to cluster non-EU % (f)					51,2%
non-UE differential % (g=f/e-1)					67,4%

(*) Place equal to 1 the equivalent originating adult, the equivalent transits will be equal to 0,35 and the equivalent children will be equal to 0,5

(**) Contribution % of the single traffic cluster will be equal to the ratio between single component and total in column "d"

(***) EU, non-EU, originating and transfer

2) Passengers with UK destinations within non-EU traffic cluster

The following tables show how the same information content as in tables [a., b.] (see above) changes in view of the changed conditions leading to passengers with UK destinations be considered within non-EU traffic cluster. From same set of 2019 data, embarked passengers with UK destinations amounted to 1,101 thousand units, of which 1,028 thousands being originating passengers and 73 thousands being passengers in transit.

In particular, table [c.] contains the same information in table [a.] and shows that – in the wake of the abovesaid re-distribution of traffic flows – allocation of total service costs changes (45.3% EU - 54.7% non-EU in table [c.] as opposed to 48.8% EU - 51.2% non-EU in table [a.]) to reflect cost sensitivity to traffic (as displayed in table [c.1]).

Table [c.] – Allocation of costs between infrastructures and traffic clusters (UK traffic in non-EU)

Infrastructures (/000)	Total costs	EU abs	non-EU abs	EU %	non-EU %
Terminal 1	41.860	33.387	8.473	79,8%	20,2%
Terminal 3	70.885	25.423	45.462	35,9%	64,1%
Boarding area B	18.186	18.186	0	100,0%	0,0%
Boarding area C	14.623	14.623	0	100,0%	0,0%
Boarding area D	21.372	21.372	0	100,0%	0,0%
Boarding areas E and pier	92.227	0	92.227	0,0%	100,0%
BHS T1	23.482	19.010	4.473	81,0%	19,0%
BHS T3	43.761	15.161	28.601	34,6%	65,4%
T1 Baggage drop off	6.469	6.469	0	100,0%	0,0%
T3 Baggage drop off	6.689	0	6.689	0,0%	100,0%
Baggage in transit	453	263	190	58,1%	41,9%
T1 Passengers acceptance system	650	519	132	79,8%	20,2%
T3 Passengers acceptance system	1.204	432	772	35,9%	64,1%
T1 Public announcement	241	192	49	79,8%	20,2%
T3 Public announcement	111	40	71	35,9%	64,1%
T1 Public information	265	212	54	79,8%	20,2%
T3 Public information	371	133	238	35,9%	64,1%
Total	342.851	155.421	187.430	45,3%	54,7%

Recap

Boarding area (exclusive costs)	146.408	54.181	92.227	37,0%	63,0%
Terminal (shared costs)	112.745	58.810	53.935	52,2%	47,8%
BHS (shared costs)	67.244	34.170	33.073	50,8%	49,2%
Baggage (exclusive costs)	13.611	6.732	6.879	49,5%	50,5%
Others (shared costs)	2.843	1.528	1.316	53,7%	46,3%
Total	342.851	155.421	187.430	45,3%	54,7%

Represented outcome reflects different sensitivities to traffic of costs allocated to single infrastructures lines. As previously indicated (please see pages 4), (i) costs to pax boarding and baggage reclaim areas are of exclusive use of relevant traffic cluster (thus no changes on change in traffic); (ii) other costs (ie. costs to terminals and to other centralised infrastructures) are shared costs on grounds of relative use by the traffic cluster.

To provide a comprehensive set of assumptions to our calculations, we represent in more detail that on areas of shared costs:

- variation in costs to Terminals by 6.4% represents weighted avg cost differential by single terminal areas (T1, T3) on change to originating traffic (UK to non-UE) which – on aggregate T1/T3 – vary by 6.3% (please see table c1 below under heading “terminal”)
- variation in costs to BHS by 6.8% represents weighted avg cost differential by single BHS (BHS T1, BHS T3) on change to originating traffic (UK to non-UE) (see table c1 below under heading “BHS”)
- variation in costs to other centralised infrastructures by 6.2% represents weighted avg cost differential by single infrastructure line on change to originating traffic (UK to non-UE) (see table c1 below under heading “others”).

Table c.1: Cost to traffic sensitivities

Infrastructures/Terminal		Tot. allocated costs	Costs with UK in EU		Costs with UK in non-EU		% shift in costs (**)	% shift in traffic (*)
			EU	non-EU	EU	non-EU		
Terminal	Terminal 1	41.860	34.449	7.411	33.387	8.473	2,5%	2,6%
	Terminal 3	70.885	31.597	39.288	25.423	45.462	8,7%	9,3%
	Total	112.745	66.046	46.699	58.810	53.935	6,4%	6,3%
BHS	Terminal 1	23.482	19.616	3.866	19.010	4.473	2,6%	2,6%
	Terminal 3	43.761	19.141	24.621	15.161	28.601	9,1%	9,3%
	Total	67.244	38.757	28.487	34.170	33.073	6,8%	6,3%
Others	Terminal 1	1.157	952	205	923	234	2,5%	2,6%
	Terminal 3	1.687	752	935	605	1.082	8,7%	9,3%
	Total	2.843	1.704	1.140	1.528	1.316	6,2%	6,3%

(*) shows only shift in originating traffic (most relevant on cost allocations)

(**) impacted also by shift in transit traffic

Finally, table [d.] contains the same information as in table [b.] and shows the following evidence:

- Paying passengers divided according to the structure of the boarding service (absolute and percentage values) indicating a modified split of 62.7% dom-EU (12.846) and 37.3% non-EU (7.650) (a, b);
- Equilibrium charge per passenger, considering: (i) equal to 1 a charge applied to adult originating passengers; (ii) applicable charge to passengers in transit compared to the original passengers (-65%) (c); (iii) applicable charge to children compared to adults (-50%) (c);
- Revenue contribution of the individual traffic cluster, weighted by passengers (d, e) in compliance with the principle of economic neutrality, showing that non-EU cluster accounts for 36.5% and dom-EU cluster 63.5%;
- Combination of (i.) correlation to costs per non-EU passenger (54.7%) (as shown in table [c.]) and (ii.) contribution of the same non-EU passengers to revenues resulting in a non-EU differential of **50%** (g)

Table [d.]: Cost-correlated 'non-EU' differential (UK traffic in non-EU)

Co.Re 2019 - FCO	Paying pax (abs)	Paying pax (%)	Tariff (*)	Tariff*paying pax %	Revenue contribution (**) of the traffic cluster (***) %
	a	b	c	d= (b* c)	e= (sub. d / total d)
Transfer within EU adults	2.383	11,6%	0,35	0,04	4,8%
Transfer within non-EU adults	1.715	8,4%	0,35	0,03	3,4%
Transfer within EU children	80	0,4%	0,18	0,00	0,1%
Transfer within non-EU children	65	0,3%	0,18	0,00	0,1%
Originating within EU adults	10.056	49,1%	1,00	0,49	57,7%
Originating within non-EU adults	5.622	27,4%	1,00	0,27	32,3%
Originating within EU children	327	1,6%	0,50	0,01	0,9%
Originating within non-EU childrer	248	1,2%	0,50	0,01	0,7%
Total EU	12.846	62,7%			63,5%
Total non-EU	7.650	37,3%			36,5%
Total	20.496	100,0%		0,85	100,0%
Revenue contribution of the cluster non-EU % (e)					36,5%
Costs allocated to cluster non-EU % (f)					54,7%
non-EU differential % (g=f/e-1)					49,8%

(*) Place equal to 1 the equivalent originating adult, the equivalent transits will be equal to 0,35 and the equivalent children will be equal to 0,5

(**) Contribution % of the single traffic cluster will be equal to the ratio between single component and total in column "d"

(***) EU, non-EU, originating and transfer

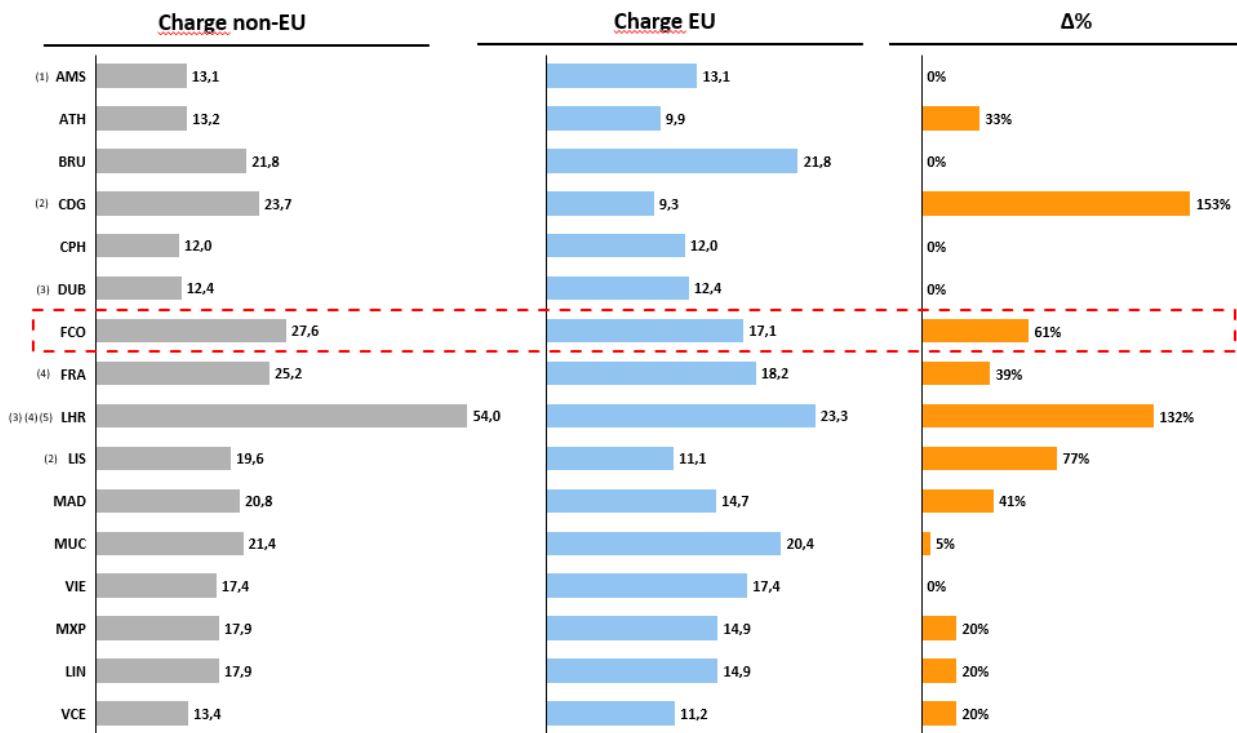
Wrapping-up on Fiumicino

Since the entry into force of ENAC-ADR Economic Regulation Agreement (first application on regulated services charges dates back to March 2013), ADR has consistently and transparently applied the principle of cost correlation in the determination of charges proposed to users for regulated services, giving ample representation during consultation and making itself available with users for further information regarding services for which the 'user pay principle' has led the operator to specific choices on modulating charges⁶.

Following the opening of the large non-Schengen boarding infrastructure in FCO⁷, through 2017-19 ADR has continued to apply the historical non-EU differential (61%) which – for the aforementioned years – was lower than the level shown in the analysis of cost correlation we shared (reported in table [b.]), absent any complaints by airport users.

ADR's choice to leave the non-UE differential unchanged post-2016 finds its motivation in a comparison with other EU airports, since the historically applied differential was higher than that of many other EU airports comparable in terms of size, characteristics and type of traffic (see table [e.] below).

Table [e.]: non-EU differential in key EU airports (2019)



(*) Charges applied to adult originating passengers
 (1) Schiphol centre; (2) charge EU-SCH; (3) charge summer; (4) charge non-EU / intercontinental; (5) charge EU=non-EU

⁶ It was the case for the boarding pax discount applied to transit passengers relative to originating passengers pursuant D.I. 373/2013 that ADR applies in FCO (-65%) of which the determinants of the discount calculations were shared with users during 2019 consultation on Easyjet's request

⁷ Other things being equal, the new, large infrastructure's costs tilted allocation of overall service costs more towards 'non-EU' traffic cluster

Consideration of UK traffic within non-EU traffic cluster results in a distribution of costs that reduces the cost-correlated non-EU differential to 50%⁸, whilst a differential substantially in line with that currently in force (61%) could be argued for through a supplementary cost allocation analysis that – other things being equal – adds the dimension of passengers’ “dwell time”⁹, a measure of the time spent between the moment passengers go through security gates and expected boarding time that allows for ‘time-weighted’ cost allocation between traffic clusters of terminal areas.

⁸ differential able to ensure the cost-revenue equilibrium for the service

⁹ For operating applications, since 2016-17 on a daily basis ADR collects all originating passengers’ transit time between security gates and expected boarding time (so-called “dwell time”) through an internal IT system (run by ADR Security subsidiary). On available data for full years 2018 and 2019 dwell time differential between EU and non-EU traffic clusters is around 22% (non-EU passengers take on average 22% longer to transit), a measure that we could add to our analysis to provide for a time-weighted allocation on areas of shared costs, triggering a higher cost allocation to non-EU and – other things equal – higher boarding charge differential. Finally, ADR decided not to adopt it to preserve adherence with historically adopted criteria and avoid more complex rounds of cost allocations.

CIA's boarding fee

At CIA in 2017-2021 and previous years' charges evolution ADR has applied for passenger Boarding service a non-EU differential of 3% between the two traffic clusters, both for commercial flights and for "General Aviation" flights. Unlike Fiumicino, Ciampino welcomes only so-called 'originating' passengers.

As for FCO, CIA's analysis ADR shares with users on this occurrence aims at providing a transparent framework of application to calculating 'non-EU' differentials on grounds of correlation to costs of infrastructures and services provided by the airport operator in compliance with the principles set forth in Directive 12/2009/EC (article 7) and ENAC-ADR Economic Regulation Agreement.

Coherent with the framework presented for FCO in former pages (values extracted from Regulatory Accounts for 2019, cost allocation criteria, passenger volumes), we share calculation of CIA's 'non-EU' differential both in case of passengers with UK destinations within EU traffic cluster (see '1-CIA' below) and passengers with UK destinations within non-EU traffic cluster (see '2-CIA' below). In both cases, pillars for determining structure of charges of passenger boarding service are as presented for FCO.

Specifically for the methodology applied to CIA, it should be emphasized that mapping activity within the terminals of areas reserved for reception of embarked passengers considers that (i) due to relatively small size, boarding areas of the Commercial Aviation Terminal are not subject to specific accounting separation; (i) General Aviation traffic has exclusive use of a dedicated terminal building.

As represented in tables below we conclude that:

- 1) in case of passengers with UK destinations considered within the EU traffic cluster (as per pre-Brexit conditions) cost-correlated non-EU differential is equal to 34%
- 2) in case of passengers with UK destinations considered within the non-EU traffic cluster (post-Brexit), cost-correlated non-EU differential is equal to 2%
- 3) from "2)" above we derive that equilibrium charges for originating commercial traffic (adult) for fiscal year 2022 are (i.) equal to 4,63 €/pax (EU) and 4,73 €/pax (non-EU) or (ii.) when compared to those applied by ADR in 2022 are lower by -0,02 €/pax for EU originating (adult) cluster and by -0,06 €/pax for non-EU originating (adult) cluster¹⁰.

¹⁰ ADR remains at disposal of ART for calculation of economic impact and subsequent resetting of equilibrium charges

1-CIA – Cost-correlated ‘non-EU’ differential (UK traffic in EU)

	UK in EU	Pax % of total	Tariff	Tariff*pax	Revenue contribution %	Costs split	Differential for non-EU traffic
		[a]	[b]	[c=a*b]	[d=sub c / tot c]	[e]	[f=e/d-1]
Pax/tariffs	Originating EU	96,7%	1	0,97	99,0%		
	Originating non-EU	3,3%	1	0,03	3,4%		
	Total (*)	100,0%		0,98	100,0%		
	Total EU (*)	96,7%			96,8%		
	Total non-EU (*)	3,3%			3,2%		3,2%
Costs	Costs - pax EU					95,7%	
	Costs - pax non-EU					4,3%	4,3%
	Total					100,0%	
Differential	non-EU differential %						34,2%

(*) Includes effect on children passengers

2-CIA – Cost-correlated ‘non-EU’ differential (UK traffic in non-EU)

	UK in non-EU	Pax % of total	Tariff	Tariff*pax	Revenue contribution %	Costs split	Differential for non-EU traffic
		[a]	[b]	[c=a*b]	[d=sub c / tot c]	[e]	[f=e/d-1]
Pax/tariffs	Originating EU	81,2%	1	0,81	83,1%		
	Originating non-EU	18,8%	1	0,19	19,3%		
	Total (*)	100,0%		0,98	100,0%		
	Total EU (*)	81,2%			81,3%		
	Total non-EU (*)	18,8%			18,7%		18,7%
Costs	Costs - pax EU					80,9%	
	Costs - pax non-EU					19,1%	19,1%
	Total					100,0%	
Differential	non-EU differential %						2,2%

(*) Includes effect on children passengers

3-CIA) – Impacts on applicable charges

Charges (€)		Charges in application	Charges in application	Charges as per cost correlation update	Δ
		2021	2022	2022	
Adult	EU Commercial Aviation	4,64	4,64	4,63	(0,02)
	non-EU Commercial Aviation	4,79	4,79	4,73	(0,06)
	EU General Aviation	27,82	27,82	27,72	(0,09)
	non-EU General Aviation	28,68	28,68	28,33	(0,36)
Children	EU Commercial Aviation	2,32	2,32	2,31	(0,01)
	non-EU Commercial Aviation	2,39	2,39	2,36	(0,03)
	EU General Aviation	13,91	13,91	13,86	(0,05)
	non-EU General Aviation	14,34	14,34	14,16	(0,18)
non-EU differential %		3,1%	3,1%	2,2%	

4-CIA) Cost allocations

	Co.Re. 2019 Total Boarding pax	UK in EU		UK in non-EU		Var %
		EU	non-EU	EU	non-EU	
pax (origin)	2.929	2.833	96	2.378	551	15,5%
Costs						
Terminal areas	14.588	13.948	639	11.793	2.795	14,8%
Baggage system	1.548	1.498	50	1.259	289	15,4%
Others infrastructures	121	117	4	99	23	15,4%
Tot Costs	16.257	15.564	694	13.151	3.106	14,8%