Performance Plan

Estonia

Fourth Reference Period (2025-2029)

Status:	Revised draft performance plan (Art. 14(3) of IR 2019/317)
Date of issue:	06.10.2025;

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STRUCTURE AND PURPOSE

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Signatories

Performance plan details	
State name	Estonia
Status of the Performance Plan	Revised draft performance plan (Art. 14(3) of IR 2019/317)
Date of issue	06.10.2025
Date of adoption of Draft Performance Plan	06.10.2025;
Date of adoption of Final Performance Plan	

We hereby confirm that the present performance plan is consistent with the scope of Implementing 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	
Üllar Salumäe, Aviation Director, Estonian Transport Administration	*(electronically signed)*

Additional comments	

Document change record		
Version	Date	Reason for change
1.0	26.07.2024	First Draft
2.0	30.09.2024	Draft Performance Plan for adoption (input from consultation)
3.0	14.11.2024	Revised Draft Performance Plan (Commission letter on verification of completeness. Changes are listed in Annex Y)
4.0	26.06.2025	Revised Draft Performance Plan (based on PRB assessment of the draft performance plans for RP4)
5.0	18.08.2025	New Draft Performance Plan for adoption (after user consultation)
6.0	06.10.2025	Updated revised draft RP4 PP (after verification of completeness)

SECTION 1: INTRODUCTION

1.1 The situation

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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	Type of entity	Geographical scope
EANS	ATS,AIS, CNS	ATSP/CNSP	Tallinn FIR

Cross-border arrangements for the provision of ANS services*

** To be reported in the performance plan: any cross-border area or group of adjacent cross-border areas of a size above 500 km^2, unless the area or group of areas concerned has fewer than 7,500 controlled flight movements on average per year*

Number of cross-border area(s) where the ANSP(s) of the Member State provide(s) services in another State's charging zone(s)	0

Number of cross-border area(s) where ANSP(s) from another State provide(s) services in the charging zone(s) covered by the performance plan	0

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	5

Entity name	Domain of activity	Rationale for inclusion in the Performance Plan
Estonian Transport Administration	NSA	Transport Administration/Aviation Division under the jurisdiction of the Ministry of Climate/Aviation Department together form the NSA.
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 and CNS specialists.
Ministry of Interior	SAR	The service of search and rescue is provided under responsibility of Ministry of the Interior
Ministry of Climate	NSA	Ministry of Climate is the Regulatory Authority in Estonia
Eurocontrol	International organisation supporting European aviation	Article 22, 1.c

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	0

1.1.4 - Other general information relevant to the plan

Relevant local circumstances with high significance for performance target setting
The sanctions on Russia and the airspace closures caused by Russia's war against Ukraine have rerouted traffic flows from Russia to Kaliningrad, forcing flights to use the narrow international airspace corridor that runs along the entire coastline of Estonia, instead of the previously utilized direct routes. This situation is expected to remain unchanged for the foreseeable future and it will affect Estonia's performance targets in the key performance area of environment. The Estonian airspace remains significantly affected by ongoing sanctions, leading to a notable reduction in air traffic between Europe and Asia. This reduction in traffic volume occurs in a context where investments have been scaled down and salary increases have been deferred for several years. Given the current inflation index and the complex geopolitical environment, further postponement of these financial commitments is no longer feasible. Consequently, this situation is expected to have an impact on Estonia's performance targets in the key performance area of cost-efficiency. The Eurocontrol Spring 2024 forecast indicates that it is currently impossible to predict when the presently restricted airspaces will be fully reopened. Consequently, the forecast for 2025 has been prepared based on the current status as a baseline.

Additional information
Estonia's air traffic has declined by more than 40% compared to pre-COVID-19 levels. After 2019, EANS took the following cost cutting measures: * Reduced the headcount by 20% * Scaled down OPEX * Scaled down investments * Operating in „safe" mode Due to these cost-cutting measures, total labour costs, depreciation, and operating expenses decreased in nominal terms in 2020, 2021, 2022, and 2023 compared to 2019 by -9.7%, -13.6%, -14.3%, and -13.5%, respectively. Cost reductions have resulted in higher attrition, leading to increased training and recruitment expenses. In the long term, maintaining minimal labor resources will impact EANS's ability to fulfill commitments and implement requests agreed on the EU level.

1.2 - Traffic Forecasts

1.2.1 - En route

En route Charging zone 1	**Estonia**
En route traffic forecast	STATFOR February 2025 (Base)

STATFOR February 2025 (Base)	2022A	2023A	2024	2025	2026	2027	2028	2029	CAGR 2024-2029
IFR movements (thousands)	143	149	171	179	185	188	192	195	2,7%
IFR movements (yearly variation in %)		4,6%	14,5%	5,0%	2,9%	1,8%	2,1%	1,5%	
En route service units (thousands)	429	446	555	612	626	636	649	658	3,5%
En route service units (yearly variation in %)		4,1%	24,4%	10,3%	2,3%	1,6%	2,0%	1,4%	

1.2.2 - Terminal

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 RP4 consultation meeting was held online with participation from airlines and representatives (IATA), air navigation service provider (EANS), Estonian Transport Administration (TRAM) and representatives from PRB. Safety: A new risk of ATCO fatigue was identified, and planned mitigation measures were included to address it. Capacity: The post-COVID reduced ATCO staffing levels remain unchanged despite traffic recovery. The plan reflects maintaining current staffing for service quality while focusing on strengthening technical staff. IATA suggested flexible use of ATCOs during low sector openings, but Estonia typically operates one sector. Environment: Development of measurable ANSP-controlled indicators is planned to enable future environmental incentives. Cost-Efficiency: The 2024 baseline value was updated to actual costs, and as a result, Estonia now meets the second cost efficiency criterion – the comparator group average. Cost containment measures were incorporated, including revised investment plans reducing depreciation costs and streamlining operating costs. Staff costs and inflation effects were recognized, with focus on technical and operational roles. Additional Issues: Unpaid charges from Russian carriers were discussed. IATA's questions about cost of equity and the FINEST project status were addressed (NB! According to updated information, the first FINEST sector is scheduled to open in 2027. The May 15, 2027 AIRAC date marks the formal start of service provision agreed by both parties). Outcome: The revised plan achieves approximately €3.7 million (2.6%) savings over five years by applying disciplined cost control, reducing depreciation and capital costs, and streamlining operations while maintaining service quality.

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

Topic of consultation	Applicable	Results of consultation
Establishment of determined costs included in the cost base for charges	Yes	The discussion addressed the update of the 2024 baseline value to actual costs and how this impacts meeting the cost-efficiency criteria and the comparator group average. The issue of unpaid charges and their effect on financial planning was also discussed.
New and existing investments, and in particular new major investments, including their expected benefits	Yes	Discussions included adjustments to the investment plan that reduced depreciation costs by around 10% and the ongoing technical upgrades related to FINEST and European network.
Charging policy	Yes	Charging policy itself was found acceptable. discussions on unpaid charges from Russian carriers amounting to nearly €2 million, which may be written off and included in determined costs.
Maximum financial advantages and disadvantages for the mandatory incentive scheme on capacity	Yes	IATA suggested increasing the incentive scheme penalty to 2%, but since EANS will not receive a bonus for good performance and zero delays during RP4 and 1% of revenue is already a significant amount to meaningfully impact and motivate EANS, the capacity incentive scheme will be as follows: 0% bonus and 1% penalty.
Symmetric range ("dead band") for the purpose of the mandatory incentive scheme on capacity	Yes	No comments received
Where applicable, decision to modulate performance targets for the purpose of pivot values to be used for the mandatory incentive scheme on capacity	No	
Establishment or modification of charging zones	No	

Where applicable, values of the modulated parameters for the traffic risk sharing mechanism	No	
Where applicable, decision to apply the simplified charging scheme	No	
Where applicable, decision to diverge from the STATFOR base forecast	No	

1.3.3 - Consultation of stakeholder groups on the performance plan

#1 - ANSPs	
Stakeholder group composition	EANS
Dates of main meetings / correspondence	There was ongoing email communication and meetings throughout the drafting process. EANS also participated in the consultation meeting, where they gave a presentation.
Main issues discussed	Staff costs, capacity and traffic volumes, Union negotiations, financing through equity
Actions agreed upon	
Points of disagreement and reasons	
Final outcome of the consultation	EANS to provide relevant materials on Further Development of the Cost of Equity Methodology for State-Owned Enterprises. Reply sent to IATA on 03.09.25

Additional comments

#2 - Airspace Users	
Stakeholder group composition	IATA, Qatar Airways
Dates of main meetings / correspondence	Consultation meeting on 17 July 2025. Written comments from IATA on 29 July 2025.
Main issues discussed	Cost efficiency, staff costs, FINEST
Actions agreed upon	
Points of disagreement and reasons	1. Only after applying an adjustment for the impact of the war in Ukraine did Estonia's long-term trend improve to -2.4%, outperforming the EU average. The adjustment for the impact of the war in Ukraine is a measure established by the European Commission for several states whose airspace usage has been significantly reduced due to Russia's war of aggression. As Estonia has experienced the largest percentage decrease in SUs due to sanctions and airspace restrictions, applying this measure is fully justified. Moreover, the latest Eurocontrol HFE data shows that 83% of the flights still crossing Estonian airspace are affected by these sanctions and restrictions, which also influences Estonia's environmental targets. 2. No reduction to RP4 determined costs to meet cost-efficiency targets, despite higher traffic forecasts. The updated plan actually delivers approximately €3.7 million in savings over five years. While 2025 shows a slight cost increase (+0.4%) due to higher staff costs, the years 2026–2029 demonstrate clear cost reductions driven by depreciation cuts, reduction in cost of capital (~11–20%) and operating costs savings of about €300k annually.
Final outcome of the consultation	Additional iformation and clarifications provided.

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			
			2021	2022	2023	Average

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

Number of airports	0		
ICAO code	Airport name	Charging Zone	Additional information

Additional comments
In accordance with IR (EU) 2019/317, Art 1(3) Estonia will not establish any terminal charging zone for RP4. Terminal charging zone will be excluded due to the traffic volumes at two international airports falling significantly below the threshold of 80 000 IFR flights.

1.5 - Services under market conditions

Number of services under market conditions	0

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

SECTION 2: INVESTMENTS

2.0 - Summary of 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 4.1.3

2.0 - Summary of Investments

EANS

	Total value of the asset (capex or contractual leasing value) (in **national currency**)	Value of the assets allocated to ANS in the scope of the performance plan (in **national currency**)	Elements for the calculation of the determined costs of investments (net book value (NBV), depreciation and cost of leasing) (in **national currency**)					
				2025	2026	2027	2028	2029
New major investments for RP4 (Table A)	17 561 249	17 561 249	Average NBV	1 935 174	3 200 016	6 995 254	10 422 190	16 588 952
			Depreciation	3 577	26 521	62 918	114 518	264 763
			Cost of leasing	0	0	0	0	0
Other new investments for RP4 (below 5M€) (Table B)	14 277 563	14 277 563	Average NBV	4 375 709	7 296 107	8 560 934	8 221 093	8 949 917
			Depreciation	99 942	581 082	1 134 285	1 648 804	1 863 533
			Cost of leasing	0	0	0	0	0
Major investments from RP3 (Tables C + D)	0	0	Average NBV	0	0	0	0	0
			Depreciation	0	0	0	0	0
			Cost of leasing	0	0	0	0	0
Existing investments from previous reference periods (Table E)	51 674 529	51 674 529	Average NBV	14 808 998	11 918 013	10 062 524	8 335 714	6 913 776
			Depreciation	2 440 299	2 410 133	2 334 046	1 717 721	1 413 670
			Cost of leasing	0	0	0	0	0
Total for the ANSP in RP4	**83 513 341**	**83 513 341**	Average NBV	**21 119 882**	**22 414 135**	**25 618 712**	**26 978 997**	**32 452 645**
			Depreciation	**2 543 818**	**3 017 736**	**3 531 249**	**3 481 043**	**3 541 966**
			Cost of leasing	**0**	**0**	**0**	**0**	**0**

2.1 - Investments - EANS

Complementary information may be provided in ***ANNEX E***

2.1.1 - Investments from RP4

Table A - Number of new major investments (i.e. above 5 M€) for RP4	1

Ref. #	Name of new major investments (i.e. above 5 M€) for RP4	Total value of the asset (capex or contractual leasing value) (in **national currency**)	Value of the assets allocated to ANS in the scope of the performance plan (in **national currency**)	Elements for the calculation of the determined costs of investments (net book value (NBV), depreciation and cost of leasing) (in **national currency**)						Lifecycle (Amortisation period in years)	Planned date of entry into operation	Allocation (%)*	
					2025	2026	2027	2028	2029			En route*	Terminal*
A1	New ATM system and related investments	17 561 249	17 561 249	Average NBV	1 935 174	3 200 016	6 995 254	10 422 190	16 588 952	15	30.11.2029	100%	0%
				Depreciation	3 577	26 521	62 918	114 518	264 763				
				Cost of leasing									
Subtotal of new major investments from RP4		**17 561 249**	**17 561 249**	**Average NBV**	**1 935 174**	**3 200 016**	**6 995 254**	**10 422 190**	**16 588 952**				
				Depreciation	**3 577**	**26 521**	**62 918**	**114 518**	**264 763**				
				Cost of leasing	**0**	**0**	**0**	**0**	**0**				

** En route/Terminal allocation within the scope of the Regulation. The total % En route+terminal should be equal to 100%.*

Table B - Other new investments (below 5M€) from RP4

	Total value of the asset (capex or contractual leasing value) (in **national currency**)	Value of the assets allocated to ANS in the scope of the performance plan (in **national currency**)	Elements for the calculation of the determined costs of investments (net book value (NBV), depreciation and cost of leasing) (in **national currency**)						Lifecycle (Amortisation period in years)	Planned date of entry into operation	Allocation (%)*	
				2025	2026	2027	2028	2029			En route*	Terminal*
Subtotal of other new investments from RP4	**14 277 563**	**14 277 563**	**Average NBV**	**4 375 709**	**7 296 107**	**8 560 934**	**8 221 093**	**8 949 917**			100%	0%
			Depreciation	**99 942**	**581 082**	**1 134 285**	**1 648 804**	**1 863 533**				
			Cost of leasing									

** En route/Terminal allocation within the scope of the Regulation. The total % En route+terminal should be equal to 100%.*

2.1.2 - Investments from RP3

Table C - Number of major investments (i.e. above 5 M€) from RP3 performance plan	0

Table D - Number of major investments (i.e. above 5 M€) added during RP3	0

2.1.3 - Existing investments from previous reference periods

Table E - Existing investments from previous RPs

	Total value of the asset (capex or contractual leasing value) (in **national currency**)	Value of the assets allocated to ANS in the scope of the performance plan (in **national currency**)	Elements for the calculation of the determined costs of investments (net book value (NBV), depreciation and cost of leasing) (in **national currency**)						Lifecycle (Amortisation period in years)	Planned date of entry into operation	Allocation (%)*	
				2025	2026	2027	2028	2029			En route*	Terminal*
Subtotal of existing investments from previous RPs	**51 674 529**	**51 674 529**	**Average NBV**	**14 808 998**	**11 918 013**	**10 062 524**	**8 335 714**	**6 913 776**			100%	0%
			Depreciation	**2 440 299**	**2 410 133**	**2 334 046**	**1 717 721**	**1 413 670**				
			Cost of leasing									

** En route/Terminal allocation within the scope of the Regulation. The total % En route+terminal should be equal to 100%.*

2.1.4 - Detail of new major investments for RP4 from table A

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

Name of new major investment 1	***New ATM system and related investments***		Reference #	***A1***	Total value of the asset		***17 561 249***
Main category of the investment	New ATM system	Overhaul of existing ATM system	Other ATM	CNS	Infrastructure	Ancilliary	Other
	x						
Description of the asset	The ATM investments primarily focus on system software and hardware upgrades, which are mandatory due to lifecycle requirements and the timing is necessary due to the FINEST cooperation project. As systems are integrated both ANSPs must do the investment at the same time, to achieve the target of the FINEST cooperation at a later stage. So, regardless of the status of the contract between Estonia and Finland, we must start with the investment. Through the Finnish and Estonian Cooperation Project (FINEST), the company contributes to the SES II goal of reducing fragmentation in European airspace while promoting cost efficiency and environmental sustainability. FINEST enhances airspace capacity, supports environmentally friendly trajectory planning, and improves cost-effectiveness through unified systems. The unification of ATM systems will reduce future costs for both main and related ATM systems on both sides. Investments in support systems for data management and information systems are also essential to ensure centralized service provision within the FINEST framework.						
Is the investment mandated by a SES Regulation (i.e. PCP/CP1/Interoperability)? If yes please provide description/reference	Yes	CP1-s-AF5.6 Flight information exchange (WP8 + new ATM system). Planned to consume NM B2B services: new ATM systems: ACC 2030 - activities planned (ATM system provider not fully decided). CP1-s-AF6.1 Initial air-ground trajectory information sharing					
For investments in new ATM systems and major overhauls of ATM systems, information on the consistency of the investment with the European ATM Master Plan		SDO #3 Dynamic airspace configuration, SDO #5 Transformation to trajectory-based operations (TBO), SDO #8 Service-oriented delivery model (data driven and cloud based). See annex V - Deployment of SDOs in the ATM Master Plan					
Level of impact of the investment	Network level	x					
	Local level						
Quantitative impact per KPA	Safety	Environment	Capacity	Cost Efficiency			
	Significant	Significant	Major	Significant			
Benefits for airspace users and results of the consultation of airspace users' representatives	The system features advanced safety measures and trajectory calculations, enhances service safety and enables more environmentally sustainable traffic flow management. This results in increased capacity and operational efficiency. FINEST employs a unified system and dynamic resource allocation and is the most cost-effective approach for service delivery.						

Joint investment / partnership	Yes	If yes, please provide reference to joint project and/or indicate reference to cross-border initiatives	FINEST. Fintraffic ANS - Expertise sharing across all areas of ATM.

2.1.5 - Details on other new investments for RP4 from table B

Overall description and justification of the costs nature and benefits of other new and existing investments in fixed assets planned over the reference period
Support, COM, AM, SUR, INFRA modernization.

Ref. #	Name of other new investments for RP4	Master Plan reference (if any)	Total value of the asset (capex or contractual leasing value) (in **national currency**)	Value of the assets allocated to ANS in the scope of the performance plan (in **national currency**)	Elements for the calculation of the determined costs of investments (net book value (NBV), depreciation and cost of leasing) (in **national currency**)						Description
						2025	2026	2027	2028	2029	
B1	SUPPORT		6 650 219	6 650 219	Average NBV	981 844	2 871 391	4 041 604	3 919 290	3 978 168	Support investments primarily involve upgrades to the existing software and hardware of various supporting systems, including •Implementation of a new recording system •Renewal of the servers •Updating network devices •Central monitoring to ensure SMC service sustainability •A workload planning system to meet cross-border planning needs
					Depreciation	20 629	175 678	478 108	923 135	1 074 500	
					Cost of leasing						
B2	COM		2 317 186	2 317 186	Average NBV	532 754	1 009 570	912 935	826 122	1 655 244	COM investments primarily focus on the renewal of all radios and the development of VCS systems. •The entire radio fleet is due for renewal, as the existing radios are 10 years old. •Development of the Voice Communication System (including monitoring and simulator hardware upgrades). •Additionally, an upgrade to the SmartMessenger version is required
					Depreciation	7 395	72 494	183 444	192 817	205 793	
					Cost of leasing						
B3	AIM		1 851 108	1 851 108	Average NBV	925 246	1 370 127	1 269 426	1 044 901	905 359	AIM investments focus on system-wide information management (SWIM), the upgrade of AIS/AIM systems, improving UI/UX solutions for clients, and the development of the IFPD dataset/service (AIXM 5.2)
					Depreciation	10 369	133 341	245 381	272 709	283 949	
					Cost of leasing						

B4	SUR		1 687 965	1 687 965	Average NBV	1 538 461	1 379 310	1 315 809	1 147 012	978 216	SUR focuses on the expansion of WAM coverage.
					Depreciation	53 050	159 151	159 955	168 797	168 797	
					Cost of leasing						
B5	INFRA		1 771 085	1 771 085	Average NBV	397 405	665 709	1 021 160	1 283 768	1 432 930	INFRA investments primarily pertain to infrastructure and administrative improvements, such as the renewal of gas extinguishers, data communication cabling and network upgrades, distribution centre enhancements, and the renewal of automatic fire alarm systems etc
					Depreciation	8 498	40 418	67 397	91 348	130 494	
					Cost of leasing						
B6					Average NBV						
					Depreciation						
					Cost of leasing						
B7					Average NBV						
					Depreciation						
					Cost of leasing						
B8					Average NBV						
					Depreciation						
					Cost of leasing						
B9					Average NBV						
					Depreciation						
					Cost of leasing						
B10					Average NBV						
					Depreciation						
					Cost of leasing						

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

3.3.3 - ATCO Planning

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 - Cost allocation ATSP/CNSP

ATSP/CNSP #x

3.4.4 - Cost allocation METSP

METSP #x

3.4.5 - Cost allocation NSA

3.4.6 - Determined costs assumptions

ANSP #x

3.4.7 - Pension assumptions

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

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

3.4.10 - Restructuring costs

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
ANNEX M. COST ALLOCATION
ANNEX J. OPTIONAL KPIs AND TARGETS
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 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) Justifications for the local safety performance 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

		2025	2026	2027	2028	2029
		Target	Target	Target	Target	Target
EANS	Safety policy and objectives	C	C	C	C	C
	Safety risk management	D	D	D	D	D
	Safety assurance	C	C	C	C	C
	Safety promotion	C	C	C	C	C
	Safety culture	C	C	C	C	C
	Additional comments					

b) Justifications for the local safety performance targets

Local safety performance targets align with national reference values. EANS safety performance has been strong, and it is expected to remain so in the future.

** Refer to Annex O, if necessary.*

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

All essential activities required to meet safety performance targets will be incorporated into EANS's Safety Working Plan.

EANS is certified by the Traffic Administration in accordance with EU Regulation 2017/373 and operates under a Safety Management System approved by the competent authority. A compliance management system is in place to identify any gaps within the system and ensure compliance with all applicable rules and regulations.

An approved management system enables EANS to efficiently handle daily operations while aligning with the company strategy, where safety is prioritized as the primary strategic element. By integrating these components, EANS will meet RP4 safety requirements and is equipped to address the challenges outlined below.

EANS already has a strong foundation and experience in meeting existing safety standards. In the coming years, EANS will face several challenges in striving to meet the RP4 safety targets. One of the main areas requiring attention is the enhancement of the trend analysis and reporting capabilities as existing systems do not support the level of detail needed for comprehensive analysis. RP4 plan includes the necessary investments in new tools and systems that can support more advanced data analytics and reporting functionalities that enable monitor safety trends more effectively and respond to emerging risks with appropriate mitigations.

Another significant challenge is integrating Human Factors and Human Performance expertise within the organization. At present EANS does not have a dedicated resource or framework to address this critical area that is becoming increasingly important under the new RP4 safety targets. Therefore, a part of the strategy to meet RP4 safety targets is to incorporate dedicated Human Factors expertise into the organization. This role would be instrumental in supporting the development and implementation of Human Performance programs, which are now recognized as a vital element of safety management.

** 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) Justifications for the local environment performance targets

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

	2025	2026	2027	2028	2029
National reference values	6,54%	6,53%	6,52%	6,51%	6,50%

	2025	2026	2027	2028	2029
	Target	Target	Target	Target	Target
National targets	6,54%	6,53%	6,52%	6,51%	6,50%

b) Justifications for the local environment performance targets

Local environment performance targets align with national reference values.

** Refer to Annex P, if necessary.*

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

Estonia, in collaboration with neighboring countries from the NEFAB and DK-SE FAB, has established NEFRA. This enables airlines to utilize optimal routes within the airspace, which may not always follow the great circle route.

The sanctions on Russia and the airspace closures caused by Russia's war against Ukraine have rerouted traffic flows mainly from Russia to Kaliningrad (around 2600 flights per week), forcing flights to use the narrow international airspace corridor that runs along the entire coastline of Estonia instead of the previously utilized direct routes. This situation is expected to remain unchanged for the duration of RP4. The NSA has no authority to change the current situation, as the airspace of Russia is also closed to EU carriers. Meanwhile, Russian-registered aircrafts continue to operate over international waters in the TLL, HEL, RIX, VNO FIRs. Prior to the Ukraine war and the implementation of EU sanctions against Russia which affected air traffic flows, Estonia was able to achieve environmental KPAs or maintain values very close to the target.

When taking into account the 2023 traffic flows (not only between Kaliningrad and Russia) that were using airspaces blocked/restricted due to the Russia's war of aggression against Ukraine and applying the methodology described in the Eurocontrol AIU technical note (January 2024) the HFE decreases to 2.40%. Flights not impacted by Russia's war of aggression have a HFE of 1.51

Eurocontol 2023 (portions of flight):

Flow	Portions	HFE	Corrected HFE
All traffic	164473	6.57	2.40

Flow	Impacted	Portions	HFE	Corrected HFE
Russia Kaliningrad	1	53123	20.22	6.15
Other	0	36086	1.51	1.51
Other	1	75262	4.48	1.56

** 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) National capacity performance targets

b) Justifications for the local en route capacity performance targets

c) Main measures put in place to achieve the local en route capacity performance targets

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

a) National capacity performance targets

b) Justifications for the local terminal capacity performance targets, including contribution to the improvement of the European ATM network performance

c) Main measures put in place to achieve the local terminal capacity performance targets

3.3.3 - ATCO planning

a) ATCOs in the scope of the performance plan

b) ATCO planning at ACC level

c) ATCO training

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

	2025	2026	2027	2028	2029
National reference values	0,06	0,04	0,03	0,02	0,02

	2025	2026	2027	2028	2029
	Target	Target	Target	Target	Target
National targets	0,06	0,04	0,03	0,02	0,02

b) Justifications for the local en route capacity performance targets

Local en route capacity performance targets align with national reference values.

** Refer to Annex Q, if necessary.*

c) Main measures put in place to achieve the local en route capacity performance targets

The historical capacity performance of EANS has been good on en-route, and EANS is expected to reach these targets. Since traffic volumes are lower due to the war, we see no obstacles to achieving these goals.

EANS and Fintraffic ANS have started cross-border co-operation project (FINEST) in 2018. FINEST is a bilateral cooperation programme between EANS and Fintraffic ANS, 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.

FINEST cross border service concept is currently on hold, due to additional requirements from MIL side. There are ongoing discussions between Ministries in Finland and between states to have a common agreement by the end of 2025. UPDATE: The first FINEST sector is scheduled to open in 2027. The May 15, 2027 AIRAC date marks the formal start of service provision agreed by both parties.

Estonia acknowledges the recommendation to develop capacity scenarios in preparation for the potential reopening of currently closed airspace due to Russia's war of aggression against Ukraine and the associated changes in traffic flows. We would like to note that this need is already addressed through the implementation of the FINEST. In the event of airspace reopening, no immediate additional measures would be required to increase capacity, as airspace reopening would also indicate that many of the issues currently requiring further clarification from the MIL have largely been resolved.

We would also like to point out that the STATFOR forecast does not assume the lifting of sanctions during RP4. The increase in traffic volumes observed at the beginning of this year can likely be attributed to ongoing tensions in trade relations and uncertainty regarding tariffs, which continue to lead companies to build up inventories as a precautionary measure.

While traffic volumes are still recovering, it would not be accurate to state that Estonia has surplus capacity. During the COVID-19 pandemic, EANS reduce the number of ATCOs, and there are no plans to increase ATCO staffing in the short term. Instead, efforts are focused on reinforcing technical support personnel, whose shortage has been longstanding. This is necessary to meet increasing technical requirements in ATM systems and to support the continued efficiency and effectiveness of ATCOs' work.

** Refer to Annex Q, if necessary.*

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

a) National capacity performance targets

	2025 Target	2026 Target	2027 Target	2028 Target	2029 Target
National targets					
Additional comments					

Airport level	***EETN-Tallin***					
	Airport contribution to national targets					
	EETU-Tartu					
	Airport contribution to national targets					
	Airport contribution to national targets					
	Airport contribution to national targets					
	Airport contribution to national targets					
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	Airport contribution to national targets					
	Airport contribution to national targets					

b) Justifications for the local terminal capacity performance targets, including contribution to the improvement of the European ATM network performance

** Refer to Annex Q, if necessary.*

c) Main measures put in place to achieve the local terminal capacity performance targets

** Refer to Annex Q, if necessary.*

3.3.3 - ATCO planning and training

EANS

a) ATCOs in the scope of the performance plan

ATCOs in the scope of the performance plan		Actual	Forecast	Planned				
		2023	2024	2025	2026	2027	2028	2029
Number of ATCO in OPS (year-end FTEs) employed by the ANSP (for services within the scope of the performance plan)	ACC	24	24	24	24	24	24	24
	APP	13	13	13	13	13	13	13
	TWR							
Number of ATCOs in OPS (year-end FTEs) allocated to the en route cost base(s)		37	37	37	37	37	37	37
Number of ATCO on other duties (year-end FTEs) employed by the ANSP		13	13	13	15	15	15	15

b) ATCO planning at ACC level

	Actual	Forecast	Planned				
Tallinn (EETT ACC)	2023	2024	2025	2026	2027	2028	2029
Number of additional ATCOs in OPS planned to start working in the OPS room (FTEs)	24	0	3	2	2	2	2
Number of ATCOs in OPS planned to stop working in the OPS room (FTEs)	0	0	3	2	2	2	2
Number of ATCOs in OPS planned to be operational at year-end (FTEs)	24	24	24	24	24	24	24

Additional comments
Given the current traffic, there is no need to increase the number of ATCOs. Changes will only occur when someone retires or leaves the company, at which point a new person will be recruited to fill the vacant position.

c) ATCO Training

ATCO trainees of the ANSP	Actual	Forecast	Planned				
	2023	2024	2025	2026	2027	2028	2029
Number of trainees planned to enter the training program(s) during the year.	0	2	3	2	2	2	2
Number of trainees expected to complete the training program(s) during the year based on statistical estimates.	0	1	2	1	1	1	1
Number ATCO trainees at year end.	0	1	1	1	1	1	1

Description of the training process, including details on the average failure rate and the process used to allocate newly qualified ATCOs between ACC, APP and TWR positions.
In 2024: 1 air traffic controller is restoring ACC competence. Assumption is there will be movements in 2025 and beyond, and up to 2 air traffic controllers per year should be replaced or retrained for ACC. The low rate of possible failures is because pre-COVID ATCOs are prioritised restoring competence. Unit training for EETN ADC is 90 hours, but not less than 1 month and EETN APS and ACS 180 hours, but not less than 3 months. Unit training is carried out solely by EANS ATCO training organisation. Unit training consists of transitional, simulator and on-the-job training phases. ATCO Basic is organised annually by the Estonian Aviation Academy, providing EANS with security in case they need to immediately start on-the-job training with additional future ATCOs. Other training organisations will be contracted if basic or rating training is needed.

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) RP4 cost-efficiency performance targets

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) Justification of the consistency of the local cost-efficiency performance targets with the Union-wide targets

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

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

g) Verification by the NSA

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

Terminal Charging Zone #x

a) RP4 cost-efficiency performance targets

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) Justifications for the local terminal cost-efficiency performance targets, including contribution to the improvement of the

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

f) Verification by the NSA

3.4.3 - Cost Allocation ATSP/CNSP

ATSP/CNSP #x

a) Summary of services provided

b) Allocation of costs by segment

c) Allocation of costs related to the provision of approach services

d) Description of other services and activities outside the scope of the performance plan and their financing

e) Changes in cost allocation methodology

f) Verification by the NSA

3.4.4 - Cost Allocation METSP

METSP #x

a) Summary of services provided

b) Allocation of costs by segment

c) Breakdown of determined meteorological costs between direct and core costs and allocation between en route and terminal services

d) Meteorological direct costs and allocation across charging zone(s)

e) Meteorological core costs and allocation across charging zone(s)

f) Changes in cost allocation methodology

g) Verification by the NSA

3.4.5 - Cost allocation NSA

a) Supervision costs

b) Search and rescue costs (if reported as part of the NSA costs)

c) Changes in cost allocation methodology

d) Verification by the NSA

3.4.6 - Determined costs assumptions

ANSP #x

3.4.6.1 - Operating costs

3.4.6.2 - Capital costs

3.4.6.3 - Costs for VFR exempted flights

3.4.6.4 - NSA verification

3.4.7 - Pension assumptions

3.4.7.1 Total pension costs

3.4.7.2 Assumptions for the "State" pension scheme

3.4.7.3 Assumptions for the occupational "Defined contributions" pension scheme

3.4.7.4 Assumptions for the occupational "Defined benefits" pension scheme

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

3.4.9 - 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 RP4, which induce additional costs

b) Detailed information on the additional costs of measures necessary to achieve the capacity targets for RP4

c) Detailed information on the additional costs of measures necessary to achieve the capacity targets for RP4 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

3.4.10 - Restructuring costs

3.4.10.1 Restructuring costs from previous reference periods to be recovered in RP4

3.4.10.2 Restructuring costs planned for RP4

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

3.4 - Cost-efficiency targets

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

En Route Charging Zone #1 - Estonia

a) RP4 cost-efficiency performance targets

En route charging zone Name of the CZ	Baseline 2019 2019 B	Baseline 2024 2024 B	RP4 cost-efficiency targets (determined 2025-2029) 2025 D	 2026 D	 2027 D	 2028 D	 2029 D	2029D vs. 2019B (CAGR)	2029D vs. 2024B (CAGR)
Total en route costs in nominal terms (in national currency)	29 778 642	29 596 810	31 580 314	33 583 806	35 429 462	36 792 996	37 896 908	2,7%	5,1%
Total en route costs in real terms (in national currency at 2022 prices)	**34 179 452**	**27 500 752**	**28 325 594**	**29 421 679**	**30 534 261**	**31 206 309**	**31 695 692**	-0,8%	2,9%
Total en route costs in real terms (in EUR2022) [1]	34 179 452	27 500 752	28 325 594	29 421 679	30 534 261	31 206 309	31 695 692	-0,8%	2,9%
YoY variation				3,9%	3,8%	2,2%	1,6%		
Total en route Service Units (TSU)	896 677	554 965	611 972	626 106	636 136	648 762	657 884	-3,4%	3,5%
YoY variation				2,3%	1,6%	2,0%	1,4%		
Real en route unit costs (in national currency at 2022 prices)	**38,12**	**49,55**	**46,29**	**46,99**	**48,00**	**48,10**	**48,18**	2,6%	-0,6%
Real en route unit costs (in EUR2022) [1]	**38,12**	**49,55**	**46,29**	**46,99**	**48,00**	**48,10**	**48,18**	2,6%	-0,6%
YoY variation				1,5%	2,1%	0,2%	0,2%		

National currency	EUR
[1] Average exchange rate 2022 (1 EUR=)	**1,00**
Actual inflation index 2024 - Base 100 in 2022	**113,1**

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

En route charging zone Name of the CZ	Baseline 2019 2019 B	Baseline 2024 2024 B	Actuals 2019 2019 A	Actual 2024 2024 A	2019 Baseline adjustments	2024 Baseline adjustments
Total en route costs in nominal terms (in national currency)	29 778 642	29 596 810	29 778 642	29 596 810	0	0
Total en route costs in real terms (in national currency at 2022 prices)	**34 179 452**	**27 500 752**	**34 179 452**	**27 500 752**	0	0
Total en route costs in real terms (in EUR2022) [1]	34 179 452	27 500 752	34 179 452	27 500 752	0	0
Total en route Service Units (TSU)	896 677	554 965	900 911	554 965	-4 234	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

Impact of transition to actual route flown	Actual service units (M2)	Coefficient M2/M3	Source	Actual service units (M3)	Service units adjustment
	900 911	-0,47%	Other	896 677	-4 234

Other adjustment to the 2019 service units	No

Total adjustments to the 2019 service units	-4 234

c.3) Adjustments to the 2024 baseline value for the determined costs

Number of adjustments	0

c.4) Adjustments to the 2024 service units

Other adjustment to the 2024 service units	No

d) Justification of the consistency of the local en route cost-efficiency performance targets with the Union-wide targets

Estonia's real en-route unit costs will decrease from the 2024 value of 49.55 EUR to the 2029 value of 48.18 EUR (-0.6%).

The ANSP has made remarkable savings in staff and other operating costs in previous years (2020–2024). In the long term, continuing with minimal labour resources is unrealistic.

Estonia's baseline values have increased from the 2019 baseline value of EUR 38.12 to the 2024 value of EUR 49.55 due to a significantly dropped traffic flow and SUs.

Labour costs: EANS staff costs are expected to grow from the 2024 level every year due to the addition of full-time equivalents (FTEs) and expected salary increases.
The increase is expected to be +4,4 FTEs annually, mainly CNS personnel. As real wages have decreased significantly due to the highest inflation in Europe in 2022 and 2023, there is a need for correction of salaries in 2025 and 2026 to stop staff turnover. According to the Estonian Central Bank's prognosis, the average salary increase from 2025 onward is higher than 5% per year.

Other operating costs include the costs of materials and all necessary purchased services and goods for operation. The main costs include the ATM system, software-related expenses, operation of premises, etc. In addition, it should be noted that the increase in service license agreement costs related to ATM software is significant during the reference period. Each new system that becomes operational raises maintenance and servicing costs. Additionally, expenses for training and travel are expected to rise due to staff changes.

Depreciation of new and existing assets will follow the investment plan.

** 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 RP4	No	
Restructuring costs planned for RP4	No	

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

After 2019, EANS took the following cost cutting measures:

Reduced the headcount by 20%

Scaled down OPEX
Scaled down investments
Operating in „safe“ mode

Due to these cost-cutting measures, total labour costs, depreciation, and operating expenses decreased in nominal terms in 2020, 2021, 2022, and 2023 compared to 2019 by -9.7%, -13.6%, -14.3%, and -13.5%, respectively.

Cost cuts have led to higher labour turnover, increasing training and recruitment costs this and the following years. In the long term, continuing with minimal labour resources is unrealistic, as EANS will not be able to implement requests that are agreed in EU level. Additionally, due to high inflation, the real wages of employees have decreased in recent years and there is a notable pressure for salary increase.

Since 2020, all feasible cost-saving measures have been implemented by EANS to maximize operational efficiency and resource optimization. Efforts have included reduction of expenses, optimization of workflows, and refinement of existing processes. To further streamline work and optimize the expenses it is now essential to make strategic investments.

These investments will allow more seamless operations, increased productivity, and scalability so that EANS not only enhances current processes but also creates a foundation for continuous improvement in service delivery.

** Refer to Annex R, if necessary.*

g) Verification by the NSA

Confirmation by the NSA that the data and information included in this section have been verified in accordance with Art. 22(7) of IR 2019/317	Yes

3.4.3 - Cost allocation ATSP/CNSP - EANS

Complementary information may be provided in ANNEX M

a) Summary of services provided

Air navigation services provided		Description of the services provided by the concerned entity
ATS/ATM	Yes	Staff costs of ATCO's. Staff costs and other operating cost related to ATM including allocated administrative and other shared costs.
Communication	Yes	Staff costs and other operating cost related to COM including allocated administrative and other shared costs.
Navigation	Yes	Staff costs and other operating cost related to NAV including allocated administrative and other shared costs.
Surveillance	Yes	Staff costs and other operating cost related to SUR including allocated administrative and other shared costs.
Search and rescue	No	
Aeronautical Information	Yes	Costs of AIS unit allocated to en route service including allocated administrative and other shared costs.
Meteorological services	Yes	Purchased MET costs are expected to increase during the RP4 compared to RP3, due to the development of services and cost increases (labour costs, equipment servicing etc).
Services to OAT	No	
Cross-border ATS	No	

Description of the methodology used for allocating costs of facilities or services between different air navigation services based on the list of facilities and services listed in ICAO Regional Air Navigation Plan European Region (Doc 7754) as last amended and a description of the methodology used for allocating those costs between different charging zones.
EANS provides en-route services in Tallinn FIR and terminal navigation services in Tallinn and Tartu airport. EANS uses the Activity Based Costing (ABC) methodology. EANS has an internal guidance document on Activity Based Costing methodology where all necessary instructions are described for allocating costs (administration and other centralized services are allocated to different cost bases) for different services (En-Route and Terminal navigation services). Costs are allocated to cost centers which are structured in following groups – ATM, Communication, Navigation, Surveillance, MET, AIS, SAR and Administration as support functions. Comparing the previous RP period, there are no changes expected during RP4 in the methodology used for allocating costs between different air navigation services. This guidance document follows principles set up in ICAO documentation. State costs are allocated to the services directly or split proportionally between services.

b) Allocation of costs by segment

ANSP costs by segments (in nominal terms in '000 national currency)	2025	2026	2027	2028	2029
Determined costs for en route charging zone(s) in the scope of the performance plan	24 055	25 865	27 546	28 766	29 706
Determined costs for terminal charging zone(s) in the scope of the performance plan					
Forecasted costs for terminal services at airports outside the scope of the performance plan					

Description of the criteria used to allocate costs between terminal and en route services in accordance with Article 22(5), including at airports outside the scope of the performance plan
EANS costs are allocated to en-route and terminal cost bases based on following: the total costs of the activities are allocated or distributed at a subsequent stage to the en route service and terminal service. Activities that serve only en route are allocated 100% to en route services. Activities that serve only terminal are allocated 100% to terminal. Activities that serve both en route and terminal are allocated based on allocation key i.e. the proportion of the number of service units. Costs of common services (ie. administration, AIS etc.) are allocated to both en-route and terminal services proportionally based on ABC methodology.

c) Allocation of costs related to the provision of approach services

Allocation of costs related to approach services (in nominal terms in '000 national currency)	2025	2026	2027	2028	2029
Total determined costs for approach services					
Determined costs for approach services allocated to the en route charging zone(s)					
Determined costs for approach services allocated to the terminal charging zone(s) within the scope of the performance plan					

Description of the methodology used for establishing approach costs and allocating them between en route and terminal services, including the distance from the relevant airport(s) used for allocating approach costs and description of the operational requirements on the basis of which that distance has been defined
The criteria used to allocate costs between terminal and en route services are provided in the body of the performance plan for RP4. See 3.4.3 (b)

d) Description of other services and activities outside the scope of the performance plan and their financing

Based on the description of the services provided under item a) above, describe the nature of the activities outside the scope of the performance plan, the related costs and the arrangements in place to finance them as well as the methodology used by the NSA to ensure that these amounts are excluded from the cost bases charged to airspace user

Terminal ANS at airports (outside the scope of the performance plan)	Yes
If yes, description of the nature of the services provided and the geographical scope	
EANS offers air traffic control services for Tallinn Tower	
If yes, description of the arrangements for the financing of the services provided	
These services are not funded through ENC but are covered through terminal navigation fees	

Services to OAT	No

Other ANS	Yes
If yes, description of the nature of the services provided and the geographical scope	
Tartu and Kuressaare AFIS services	
If yes, description of the arrangements for the financing of the services provided	
These services are not funded through ENC but are covered through terminal navigation fees	

Non ANS	No

e) Changes in cost allocation methodology

Are there changes in the cost allocation criteria with respect to the previous reference period? If yes, please provide the description and justification of the changes and impact(s) on the determined costs and/or baseline.	No

f) Verification by the NSA

Confirmation by the NSA that the data and information included in this section have been verified in accordance with Art. 22(7) of IR 2019/317	Yes

3.4.5 - Cost allocation - NSA

Complementary information may be provided in ANNEX M

a) Supervision costs

Description of the supervision activities performed by the NSA(s), the underlying assumptions used to estimate the related determined costs and the main factors
NSA conducts oversight over ANSP in accordance with Estonian Aviation Act, Regulation (EU) 2015/340, IR (EU) 2017/373, IR (EU) 2019/317 based on the audit plan; issues permits to licensed personnel and performs analyzes to manage airspace changes.

Description of the methodology used to allocate NSAs supervision costs between en route and terminal as well as across different charging zones
NSA's supervision costs are divided as follows: 80% ENC, 20% TNC. The NSA costs consist of the following main components: salaries for staff in the Air Traffic Services and Aerodrome Unit, official travel and training expenses of Air Traffic Services and Aerodrome Unit, a proportional share of support service salaries and operating costs of Estonian Transport Administration. The salary cost for support services is calculated by taking the total salary expenses of support unit, dividing it by the total number of Estonian Transport Administration employees, and then multiplying the result by the number of employees in the Air Traffic Services and Aerodrome Unit. Operating costs are calculated in a similar way: the core operating expenses of Estonian Transport Administration are divided by the total number of employees, and the resulting unit cost is multiplied by the number of employees in the Air Traffic Services and Aerodrome Unit. The increase in NSA costs is primarily driven by persistent inflation and the broad price increases (incl. the prices of goods and services), which have impacted official travel, training, and operating expenses. Overall, the increase in costs is broadly aligned with changes in Estonia's CPI, reflecting general inflationary pressures in the economy.

b) Search and rescue costs (if reported as part of the NSA costs)

Description and underlying assumptions for search and rescue costs and main factors explaining the variations over the reference period
Investment and lifecycle management costs of rescue aircrafts and vessels, personnel and training costs, obtainment and lifecycle management of the necessary equipment, grants for volunteer SAR units.

Total search and rescue costs for the entity providing search and rescue services (in nominal terms in '000 national currency)	2025	2026	2027	2028	2029
Determined costs for en route charging zone(s) in the scope of the performance plan	4 602	4 717	4 835	4 956	5 079
Determined costs for terminal charging zone(s) in the scope of the performance plan					
Forecasted search and rescue costs outside the scope of the performance plan					

Description of the methodology used to allocate search and rescue costs to civil aviation and in the scope of the performance plan, including the proportion of search and rescue costs included in the scope of the plan as compared to total search and rescue costs incurred by the entity
12% of SAR service costs are reported as civil aviation costs as that percentage of all air and sea rescue distress reports are civil aircraft related (EPIRB and flight plan terminations). Additionally 0,25% of Estonian Police and Border Guard Board's costs and 2% of Estonian Rescue Board's costs are added to ensure the readiness of the SAR service 24/7.

Description of the methodology used to allocate search and rescue costs to civil aviation between en route and terminal as well as across different charging zones
Search and rescue costs are divided as follows: 100% ENC, 0% TNC. Tallinn Airport has its own SAR team, and the costs related to SAR are covered by the airport.

c) Changes in cost allocation methodology

Are there changes in the cost allocation criteria with respect to the previous reference period? If yes, please provide the description and justification of the changes and impact(s) on the determined costs and/or baseline.	No

d) Verification by the NSA

Confirmation by the NSA that the data and information included in this section comply with the requirements of Article 15(2) Regulation (EC) No 550/2004 and with IR 2019/317.	Yes

3.4.6 - Determined costs assumptions - EANS

3.4.6.1 - Operating costs

a) Staff costs

Number of entries	4

#	Staff costs building blocks (in nominal terms in '000 national currency)	Description of the composition of each item	Charging zones	Actual	Actual	Determined				
				2023	2024	2025	2026	2027	2028	2029
1	Salaries and wages		En-route charging zones	9 645	10 410	11 184	11 917	12 634	13 310	13 913
			Terminal charging zones							
2	State pension costs		En-route charging zones	1 929	2 082	2 237	2 383	2 527	2 662	2 783
			Terminal charging zones							
3	Health Insurance payments		En-route charging zones	1 254	1 353	1 454	1 549	1 642	1 730	1 809
			Terminal charging zones							
4	Employer unemployment insurance contribution		En-route charging zones	77	83	89	95	101	106	111
			Terminal charging zones							
Total staff costs			**En-route charging zones**	**12 905**	**13 928**	**14 964**	**15 945**	**16 905**	**17 809**	**18 616**
			Terminal charging zones	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Accounting provisions included in total staff costs		En-route charging zones							
		Terminal charging zones							

Assumptions underlying the determined pension costs and expected evolution over Reference Period 4 (for Main ANSP please refer to tab 3.4.7)		En-route charging zones	2 668	2 863	3 075	3 277	3 474	3 660	3 826
		Terminal charging zones							

Description of the main factors explaining the planned variations of staff costs over the reference period
Staff costs are expected to grow from the 2024 level every year, because of the additional FTE-s (average +4,4 FTE-s per year) and forecasted salary increase. As real wages have decreased significantly due to the highest inflation in Europe in 2022 and 2023, we have considered that there is a need for correction of salaries in 2025 and 2026 to stop the turnover of staff. The average salary increase is 5% in a year (which doesn't include the staff increase during the RP4 years). Basis for the salary cost increase is the current economic situation and forecasts provided by CB and MOF. Wage growth in Estonia is high, driven by a shortage of labour in the market. According to the Estonian Central Bank's prognosis, the average salary increase from 2025 onward is higher than 5% per year. Despite the overall recession of the economy, the growth of the wage is still rapid in Estonia and is supported by a shortage of qualified labour on the market. Health Insurance payments in Estonia are mandatory contributions that fund the public healthcare system, ensuring access to medical services for all insured individuals. Employer Unemployment Insurance Contribution in Estonia is a mandatory insurance scheme aimed at providing income support in the event of unemployment or work-related temporary incapacity. Managed by the Estonian Unemployment Insurance Fund, this contribution is deducted from both employees' salaries and employers' payroll expenses.

b) Other operating costs

Number of entries	7

	Other operating costs building blocks			Actual	Actual	Determined

#	Other operating costs building blocks (in nominal terms in '000 national currency)	Description of the composition of each item	Charging zones	2023	2024	2025	2026	2027	2028	2029
1	Equipment maintenance costs		En-route charging zones	978	1 047	1 379	1 575	1 646	1 668	1 612
			Terminal charging zones							
2	Equipment operating costs		En-route charging zones	221	431	480	467	474	479	480
			Terminal charging zones							
3	Meteorological services		En-route charging zones	241	275	302	319	348	379	404
			Terminal charging zones							
4	Rental costs		En-route charging zones	410	399	436	495	495	509	509
			Terminal charging zones							
5	Travel expenses		En-route charging zones	167	258	383	474	402	368	358
			Terminal charging zones							
6	Training costs		En-route charging zones	180	306	365	436	351	396	407
			Terminal charging zones							
7	Other expenses		En-route charging zones	1 213	1 406	1 467	1 533	1 543	1 610	1 613
			Terminal charging zones							
Total other operating costs			**En-route charging zones**	**3 411**	**4 123**	**4 814**	**5 298**	**5 259**	**5 410**	**5 383**
			Terminal charging zones	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Accounting provisions included in total other operating costs		En-route charging zones								
		Terminal charging zones								

Costs for ground-ground communication services		En-route charging zones								
		Terminal charging zones								
Costs for air-ground communication services via terrestrial link		En-route charging zones	1 958	2 239	2 440	2 624	2 794	2 916	3 010	
		Terminal charging zones								
Costs for air-ground communications services via satellite link		En-route charging zones								
		Terminal charging zones								

Description of the main factors explaining the planned variations of other operating costs over the reference period
Other operating costs include the costs of materials and all necessary purchased services and goods for operation. The main costs include the ATM system, software-related expenses (SLAs), purchased meteorological services, training costs, operation of premises etc. It is estimated that costs are expected to increase over 13% in 2025 & 2026, and around 2% in the years 2027-2029. Most of the cost increase is estimated from equipment maintenance and software support cost increases. Every new system that goes into operation increases the cost of maintenance and servicing. Cost for training and travelling are expected to rise also because of staff changes, an increase in property maintenance costs and other support costs should be rather modest, i.e. in line with general inflation. In general, cost increases are expected to rise in correlation with CPI changes in Estonia, along with the best estimates for different cost items. Additional cost growth drivers include an expected increase in travel and training expenses, maintenance costs related to new SLAs, communication service rental costs, and meteorological costs compared to the RP4 period.

c) Exceptional items

Number of entries	0

Accounting provisions included in total exceptional items		En-route charging zones								
		Terminal charging zones								

Description of the main factors explaining the planned variations of other exceptional items over the reference period

d) Accounting provisions

Number of entries	0

#	List of provisions included in the determined cost (in nominal terms in	Description of the composition of each item	Charging zones	Value of the provision at	Forecast	Determined

a) Depreciation costs

Method adopted for the calculation of the depreciation cost (point 1.3 of Table 1):	Historical
If current cost accounting is applied, equivalent historical cost accounting figures have to be provided in Annex E in order to allow for comparison	

b) Cost of capital

Description of the assumptions used to compute the cost of capital (point 1.4 of Table 1), including the composition of the asset base, the return on equity, the average interest on debts and the shares of financing of the asset base through debt and equity
The cost of capital is calculated based on the forecasted expected capital structure. It comprises the asset base and the Weighted Average Cost of Capital (WACC). The WACC rate for the period is forecasted to be around 5,3% on average in the period. Assumptions: The average interest rate for loans for the remaining period is expected to fall from the level of 4,2% in 2025 to around 3,9 % for the years 2026 and onward. The Ministry of Finance (MoF) is revising the calculation for the ROE. However, in the existing RP4 forecast, we have estimated that at least 7,3% is a level of requested return on equity as it was in RP3.

Cost of capital assumptions	Description of each item
NBV fixed assets	RP4 figures are calculated based on the existing assets base reported in the latest financial report plus investments to system upgrades and new investments less the depreciation of the existing and new investments.
Adjustments total assets	No adjustments have been included.
Net current assets	Net current assets are estimated to be about 9,9 m € on average within RP4 period. There is a sufficient level of liquidity to invest and grow.
Cost of capital %	The cost of capital is calculated based on the forecast is calculated on the expected capital structure. It comprises the asset base and the Weighted Average Cost of Capital (WACC).
Return on equity	The cost of equity that has been taken into account as an assumption is calculated by MoF 7,3%, the same as it was fixed in RP3.
Average interest on debts	The average interest rate for loans for the remaining period is expected to fall from the level of 4,2% in 2025 to around 3,9 % for the years 2026 and onward.
Share of financing through equity	The Ministry of Finance is of the opinion that the optimality of the capital structure must be monitored annually when planning the goals of companies, which is why the assessment of the optimal equity ratio has been changed and is based on the assessment of the Ministry of Finance, we estimate it to be lowest optimum - 40% for the RP4 period.

3.4.6.3 - Costs for VFR exempted flights

Description of the methodology and assumptions used to establish the costs of air navigation services provided to VFR flights, when exemptions are granted for VFR flights in accordance with Article 31(3), 31(4) and 31(5)
VFR flights are exempted from paying en-route navigation charges as they are not permitted to fly within controlled airspace other than in terminal area where they pay terminal navigation charge similarly to IFR flights.

3.4.6.4 - NSA verification

Findings of the verification by the NSA (under Art. 22(7) of IR 2019/317) of the compliance of the determined costs of the ANSP 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
The cost bases outlined are compliant with the applicable regulations of EU 2019/317 and EU 550/2004.

3.4.7 - Pension assumptions

EANS

3.4.7.1 Total pension costs, including retirement and pre-retirement schemes (in nominal terms in '000 national currency)

Pension costs per segment	2025D	2026D	2027D	2028D	2029D
En-route activity	3 075	3 277	3 474	3 660	3 826
Terminal activity					
Other activities					
Total pension costs	**3 075**	**3 277**	**3 474**	**3 660**	**3 826**

3.4.7.2 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?	No

EANS	2025D	2026D	2027D	2028D	2029D
Total pensionable payroll to which this scheme applies	11 184	11 917	12 634	13 310	13 913
Employer % contribution rate to this scheme	20,0	20,0	20,0	20,0	20,0
Total pension costs in respect of this scheme	**2 237**	**2 383**	**2 527**	**2 662**	**2 783**
Number of employees the employer contributes for in this scheme	205	209	213	214	214

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 RP4
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. 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, separately for retirement and early retirement

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.

3.4.7.3 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?	No

EANS	2025D	2026D	2027D	2028D	2029D
Total pensionable payroll to which this scheme applies	11 184	11 917	12 634	13 310	13 913
Employer % contribution rate to this scheme	7,5	7,5	7,5	7,5	7,5
Total pension costs in respect of this scheme	**839**	**894**	**948**	**998**	**1 043**
Number of employees the employer contributes for in this scheme	205	209	213	214	214

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 RP4
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, separately for retirement and early retirement pension schemes

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

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

Are there different defined benefits schemes applicable? If yes, how many?	No

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

EANS

Select number of loans	5

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

Loan #1		2025D	2026D	2027D	2028D	2029D
Description		Investment loan from 2017, deadline 04.09.2027				
Remaining balance		1 242 796	536 673	0	0	0
Interest rate %	Fixed	1,50%	1,50%	1,50%	0,00%	0,00%
Interest amount		24 604	13 967	3 395	0	0

Loan #2		2025D	2026D	2027D	2028D	2029D
Description		Investment loan from 2019, deadline 05.11.2028 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 %	Variable	4,49%	3,89%	3,89%	3,89%	3,89%
Interest amount		448 600	388 600	388 600	388 600	388 600

Loan #3		2025D	2026D	2027D	2028D	2029D
Description		EC Solidarity Fund loan				
Remaining balance		0	0	0	0	0
Interest rate %	Select	0,00%	0,00%	0,00%	0,00%	0,00%
Interest amount		0	0	0	0	0

Loan #4	2025D	2026D	2027D	2028D	2029D
Description	NIB loan				
Remaining balance	0	0	0	0	0
Interest rate %	4,30%	0,00%	0,00%	0,00%	0,00%
Interest amount	86 000	0	0	0	0

Loan #5		2025D	2026D	2027D	2028D	2029D
Description		New loan				
Remaining balance		0	0	2 000 000	15 000 000	15 000 000
Interest rate %	Variable	0,00%	0,00%	3,90%	3,90%	3,90%
Interest amount				78 000	585 000	585 000

Other loans	2025D	2026D	2027D	2028D	2029D
Description					
Remaining balance					
Average weighted interest rate %	-	-	-	-	-
Interest amount					

Total loans	2025D	2026D	2027D	2028D	2029D
Total remaining balance	11 242 796	10 536 673	12 000 000	25 000 000	25 000 000
Average weighted interest rate %	4,97%	3,82%	3,92%	3,89%	3,89%
Interest amount	559 204	402 567	469 995	973 600	973 600

3.4.9 - 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 RP4?	No

3.4.10 - Restructuring costs

3.4.10.1 Restructuring costs from previous reference periods to be recovered in RP4

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

3.4.10.2 Restructuring costs planned for RP4

Restructuring costs foreseen for RP4?	No

Additional comments

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) With regard to the over-riding safety objectives, what pressures does your organisation experience in meeting the cost, capacity and environmental KPAs? Describe how you ensure that these pressures do not negatively impact safety within your organisation. Describe the mitigation measures that have been introduced to demonstrate that safety performance has been sustained and what monitoring has been envisaged to measure the effectiveness of those mitigations.
The only KPA where we may encounter difficulties is cost efficiency. Following the pandemic, there was an expectation that conditions would stabilize; however, the onset of the war and the subsequent energy crisis led to significant inflation and economic recession. To achieve our objectives, we had to implement cost-saving measures, which included postponing investments and salary increases. Now, further delays in these investments and salary adjustments are no longer feasible due to the high employee turnover and escalating costs associated with training and recruitment. Moreover, we must undertake necessary investments to comply with EU-wide agreements. Continuing to operate under a cost-saving regime would present a safety risk, particularly given our current geopolitical context. KOM has stated that Member States in Comparator Group D have lost, as a consequence of Russia's war of aggression against Ukraine, a significant share of the air traffic flows which they traditionally used to serve. For those Member States, consistency assessment methods similar to those already used in RP3 for Sweden and Latvia in the cost-efficiency KPA will apply: For RP3, the Commission recalculated, as part of its assessment, the local cost-efficiency trends for Sweden and Latvia by using a counterfactual traffic scenario in the absence of the changes in traffic resulting from the war (consistency decisions of December 2022). For RP4, such an approach will be used when assessing the local long-term cost-efficiency trends of the Member States affected by a significant reduction of air traffic as a consequence of the war.

b) What are the main assumptions used to assess the interdependencies between safety and other KPAs? Please provide a detailed analysis. Describe the analysis methodology and the data that has been used to assess the interdependencies between safety and other KPAs. What indicators, in addition to those described in the Regulation, are used for monitoring during the reference period to ensure that the targets in the KPAs of capacity, environment, and cost-efficiency are not degrading safety?
The main assumptions used to assess the interdependencies between safety and other KPAs: safety is always the top priority and compromises in this area are not acceptable, even if it affects other KPAs; ongoing investments and sufficient resources are needed to maintain safety, which might temporarily affect other KPAs; Regulatory alignment. Analysis methodology and the data that has been used to assess the interdependencies between safety and other KPAs: risk analyses to identify and assess potential safety risks; data collection (air traffic reports, incident and accident reports, audit reports); KPIs for monitoring. We use the indicators described in the Regulation and are not currently monitoring any additional indicators.

c) Describe the organisation's philosophy for managing competing priorities between the KPAs effectively – for instance delaying programmes to manage competing demands. It is expected that the organisation uses its business risk management processes to assess the consequential risks of the organisation's competing priorities to achieve its business goals.
We manage competing priorities by balancing different KPAs, with safety remaining the top priority and no trade-offs allowed in that area.

d) What trade-offs in safety have been accepted to manage resources shortfalls in realising the organisation's objectives to meet the cost, capacity and environment KPA targets? Have trade-offs restricted the release of staff for safety activities, such as safety training (ATC training excepted), safety surveys, safety audits, safety assessments, safety studies and analyses?
So far, we have not made any trade-offs that compromise safety and have instead implemented cost-saving measures in other areas. However, further reductions are no longer feasible due to the additional risks and new challenges posed, including those arising from our geopolitical situation.

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 in line with planned changes that will enable targets in other KPAs to be achieved? Please provide a detailed explanation.

This is part of the change management process review, which ensures that resources are aligned with planned changes to maintaining high safety standards.

3.6.2 - Interdependencies and trade-offs between capacity and environment

No trade-off needs expected between capacity and environment.

The achievement of environmental targets is not impacted by capacity limitations within ATC operations, as the primary contributors to unmet environmental targets lie outside ATCO jurisdiction. The emissions from flights affected by Russian aggression against Ukraine and the ones passing through neutral airspace cannot be managed in a way that would contribute to emission reductions. The environmental impact of such flights remains beyond ATC influence and is unrelated to the number of available ATCOs.

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

En-route delays have remained low, with EANS forecasting that this situation will remain so. It is anticipated that delays will continue to be near zero during RP4, even as traffic volumes recover. The costs associated with maintaining this level of service quality have been incorporated into the cost base.

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 - Cross-border areas where the ANSP provides ANS outside the State's charging zone(s) in the scope of the performance plan
- 4.1.2 - Planned or implemented cross-border initiatives at the level of ANSPs
- 4.1.3 - Investment synergies achieved at FAB level or through other cross-border initiatives

4.2 - Deployment of SESAR Common Projects (CP1)

4.3 - Change management

Annexes of relevance to this section

- ANNEX N. CROSS-BORDER INITIATIVES
- ANNEX V. CONSISTENCY OF INVESTMENTS WITH ATM MASTER PLAN

4.1 - Cross-border initiatives and synergies at the level of the ANSP(s)

4.1.1 - Cross-border areas where the ANSP(s) provide(s) services outside of the State's charging zone(s) in the scope of the performance plan

As indicated in section 1.1.1, the cross-border area(s) reported below are those cross-border areas or groups of adjacent cross-border areas of a size above 500 km2, unless the area or group of areas concerned has fewer than 7,500 controlled flight movements on average per year.

Number of cross-border area(s) where the ANSP(s) of the Member State provide(s) services in another State's charging zone(s)	**0**

4.1.2 - 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	The FINEST solutions meet customer expectations and EU RP targets by improving safety, enhancing efficiency, increasing capacity, reducing environmental impact, and making us even more competitive and sustainable in the market. Analysis proves that through cross-border service, we are able to increase capacity using existing resources by approximately 20% when comparing the 2019 traffic with the 2024 expected traffic (the comparison was done before COVID-19). The dynamic use of cross-border sectors is a key component of our proposal. This approach not only allows us to route traffic more efficiently, but also enhances safety. The dynamic sector use, which is based on traffic flows, ensures a more responsive and adaptive system, further bolstering our commitment to safety. Streamlining the operational resources (both technical and operational) will provide cost savings. Future joint investments in different technical solutions for ATMs will also provide cost savings.
Additional comments	

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

Details of synergies in terms of common infrastructure and common procurement
EANS and Fintraffic ANS ATM systems upgrades in a coordinated way to enable FINEST implementation. Common airspace structures and common systems offer our customers the benefit of a full FRA environment over state boundaries. EANS and Fintraffic shall keep the working environment for the ATCOs the same, which means that the majority of the technical upgrades (ATM system, VCS system, Infosystem, Contingency solutions, etc.) shall be implemented jointly on both sides, which is cost-effective. The agreement between EANS and Fintraffic ANS, coupled with the joint procurement guidelines, will lead to a significant reduction in costs for both parties involved, ultimately benefiting our customers as well.

4.2 - Deployment of SESAR Common Projects (CP1)

CP1 ATM Functionality (CP1-AF)/ Sub-functionality (CP1-s-AF)	Target date of implementation	Date of actual/expected deployment of s-AF	Description of realised and/or planned investment(s) related to the deployment of s-AF	Relevant investments (Ref. # as per section 2)	RP4 determined costs related to the sub-AF (in national currency and in nominal terms)				
					2025	2026	2027	2028	2029
CP1-AF1 - Extended AMAN and Integrated AMAN/DMAN in High-Density TMAs									
CP1-s-AF1.1 AMAN extended to en-route airspace	*31.12.2024*	30.06.2024	**Extended AMAN service is implemented through OLDI messages. EANS is already ordered the service and it will be implemented in the first half of 2024.**	Table E - existing investments from previous RPs					
CP1-s-AF1.2 AMAN/DMAN Integration	*31.12.2027*	**N/A**							
CP1-AF2 - Airport Integration and Throughput									
CP1-s-AF2.1 DMAN synchronised with predeparture sequencing	*31.12.2022*	**N/A**							
CP1-s-AF2.2.1 Initial airport operations plan (iAOP)	*31.12.2023*	**N/A**							
CP1-s-AF2.2.2 Airport operations plan (AOP)	*31.12.2027*	**N/A**							
CP1-s-AF2.3 Airport safety nets	*31.12.2025*	**N/A**							
CP1-AF3 - Flexible Airspace Management and Free Route Airspace									
CP1-s-AF3.1 Airspace management and advanced flexible use of airspace	*31.12.2022*	**27.01.2022**							
CP1-s-AF3.2 Free route airspace	*31.12.2025*	**23.04.2020**							
CP1-AF4 - Network Collaborative Management									
CP1-s-AF4.1 Enhanced short-term ATFCM measures	*31.12.2022*	**30.06.2023**							
CP1-s-AF4.2 Collaborative NOP	*31.12.2023*	**30.06.2023**							
CP1-s-AF4.3 Automated support for traffic complexity assessment	*31.12.2022*	**31.12.2023**							
CP1-s-AF4.4 AOP/NOP integration	*31.12.2027*	**N/A**							
CP1-AF5 - SWIM									

CP1-s-AF5.1 Common infrastructure components	*31.12.2024*	31.12.2024	Detailed name: Stakeholders' SWIM PKI and cyber security EANS will be using the EACP solution. The wording in LSSIP is not like here behind AF5.1 and AF5.2.						
CP1-s-AF5.2 SWIM yellow profile technical infrastructure and specifications	*31.12.2025*								
CP1-s-AF5.3 Aeronautical information exchange	*31.12.2025*	31.12.2025	- Aeronautical Information Exchange - Airspace structure service - **done 10.06.2020** - Aeronautical Information Exchange - Airspace Availability Service - **done 31.12.2022** - Aeronautical Information Exchange - Airspace Reservation (ARES) - **under way 31.12.2024** - Aeronautical Information Exchange – Digital NOTAM service - **under way 31.12.2025** - Aeronautical Information Exchange - Aerodrome mapping service - **under way 31.12.2025** - Aeronautical Information Exchange - Aeronautical Information Features service - **under way 31.12.2025** **addidtionally LARA 5.0**	Table B - other new investments from RP4 Table E - existing investments from previous RPs	5 627	67 519	67 519	67 519	67 519
CP1-s-AF5.4 Meteorological information exchange	*31.12.2025*	31.12.2025	- Meteorological Information Exchange - Volcanic Ash Mass Concentration information service - **planned 31.12.2025** - Meteorological Information Exchange - Aerodrome Meteorological information Service - **planned 31.12.2025** - Meteorological Information Exchange - En-Route and Approach Meteorological information service - **planned 31.12.2025** - Meteorological Information Exchange - Network Meteorological Information - **planned 31.12.2025**						
CP1-s-AF5.5 Cooperative network information exchange	*31.12.2025*	**N/A**	**N/A because we don't implement the "local complexity tool".**						
CP1-s-AF5.6 Flight information exchange (yellow profile)	*31.12.2025*	31.12.2030	Planned to consume NM B2B services: - ARO briefing systems by 2024 - activities ongoing. - ATM systems: TWR systems 2028 (according to CP1 not an obligation) and ACC 2030 - activities planned. ATM system provider not fully decided. - rTWR: TBD (according to CP1 not an obligation) Flight Information Exchange (Yellow Profile) - Flight Data Request Service - **planned 31.12.2030** Flight Information Exchange (Yellow Profile) - Notification Service - **planned 31.12.2030** Flight Information Exchange (Yellow Profile) - Data Publication Service - **planned 31.12.2030**	Table A - investment number A1	0	0	0	0	136 999
CP1-AF6 - Initial Trajectory Information Sharing									

CP1-s-AF6.1 Initial air-ground trajectory information sharing	*31.12.2027*	**Planned**	**Ground Infrastructure deployment**			A1	0	0	8 917	107 000	107 000
CP1-s-AF6.2 Network Manager trajectory information enhancement	*31.12.2027*	**N/A**									
CP1-s-AF6.3 Initial trajectory information sharing ground distribution	*31.12.2027*	**Planned**	**Connecting ATS Units systems to**								

Total RP4 determined costs for common project related to the sub-functionalities across charging zones for the concerned entity	**5 627**	**67 519**	**76 435**	**174 519**	**311 518**

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
All changes to EANS functional systems are carried out in accordance with the Change Management procedure, which is fully compliant with Regulation 2017/373. This process is approved by the NSA and is subject to regular audits. Throughout the change process, all risks arising from or associated with the change will be assessed. If necessary, additional measures will be implemented to mitigate any unacceptable risks that may arise during the implementation of the change or after the change has been integrated into the system.

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

a) Parameters for the calculation of financial advantages or disadvantages - En route

b) Pivot values - En route

c) Modulation mechanism (if applicable)

5.2.2 - Capacity incentive scheme - Terminal

a) Parameters for the calculation of financial advantages or disadvantages - En route

b) Pivot values - Terminal

c) Modulation mechanism (if applicable)

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

5.2 - Capacity incentive schemes

5.2.1 - Capacity incentive scheme - En route

a) Parameters for the calculation of financial advantages or disadvantages - En route

En route	Expressed in	Value
Dead band Δ	fraction of min	±0,030 min
Max bonus (≤2%)	*% of DC*	0,00%
Max penalty (≥ Max bonus)	*% of DC*	1,00%

b) Pivot values - En route

Basis for the annual setting of pivot values	Fixed (equal to performance targets)

c) Modulation mechanism (if applicable)

Section to be filled out only if the option for modulated pivot values has been selected under b) above.

Modulation mechanism of pivot values	Click to select

Based on the modulation mechanism(s) selected above, provide a detailed description of the principles and methodology used to modulate the pivot values

Option A) - Modulation based on unforeseen changes in traffic

1) the pivot value for the year N is **equal** to the yearly update of reference values provided by the Network Manager in the NOP	Click to select
2) the pivot value for year N is **informed** by the yearly update early update of reference values by the Network Manager in the NOP	Click to select

If 2) applies describe the principle and formulas on the basis of which the pivot values are calculated

Option B) - Modulation limiting pivot values to C, R, S, T, M, P delay codes

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
Explanation on the methodology used to modulate the pivot values accordingly

Additional information in the case of the combination of A) and B)

If the modulation of pivot values is based on both options A) and B) above, provide additional information on how these two modulation mechanisms are applied in combination with each other

5.2.2 - Capacity incentive scheme - Terminal

a) Parameters for the calculation of financial advantages or disadvantages - Terminal

Terminal	Expressed in	Value
Dead band Δ	Select	
Max bonus (≤2%)	*% of DC*	
Max penalty (≥ Max bonus)	*% of DC*	

b) Pivot values - Terminal

Basis for the annual setting of pivot values	Click to select

c) Modulation mechanism (if applicable)

Section to be filled out only if the option for modulated pivot values has been selected under b) above.

Modulation mechanism of pivot values	Click to select

Based on the modulation mechanism(s) selected above, provide a detailed description of the principles and methodology used to modulate the pivot values

Option A) - Modulation based on unforeseen changes in traffic

The pivot value for year N is modulated in order to enable significant and unforeseen changes in traffic to be taken into account	Click to select
Description the principle and formulas on the basis of which the pivot values are calculated	

Option B) - Modulation limiting pivot values to C, R, S, T, M, P delay codes

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
Explanation on the methodology used to modulate the pivot values accordingly

Additional information in the case of the combination of A) and B)

If the modulation of pivot values is based on both options A) and B) above, provide additional information on how these two modulation mechanisms are applied in combination with each other

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	0

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
Estonian Transport Administration monitors the performance of air navigation services in order to determine if the performance targets outlined in the performance plan are being achieved. If the Transport Administration identifies that these targets are not being met or are at risk of not being met, it promptly informs the Commission. The Transport Administration will then implement appropriate measures and communicate these to the Commission. By June 1 each year, the Transport Administration will report the monitoring results from the previous year to the Commission, covering all KPIs and PIs specified in Annex I of IR 2019/317. In order to do this, the Transport Administration requests relevant data from the ANSP and supplements it with data from the PRB, EUROCONTROL, and EASA to validate the monitoring results.

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 NSA observes that targets are not being met, it will consult with the ANSP to discuss the situation and the potential need for corrective actions. NSA will inform the EC, in accordance with Article 37 of IR 2019/317. The findings identified by the NSA during continuous oversight are addressed by the ANSP through corrective action plan. If it is anticipated that the targets will be achieved by the end of the reference period, NSA will not implement measures during the refrence period.