## **Tool 2 - Standard list of documents to be requested from the ANSP in view of the verification**

In order to ensure that the verification proceeds as smooth as possible, we are providing you with a “Standard list of documents” to be requested from the ANSP with the purpose to assist the NSAs in performing their work.

Please note that the list of documents presented in this tool is not an exhaustive list and the NSAs may add documents in the list if they consider them necessary for the performance of the verifications. This tool shall be sent out to the ANSPs together with the “Letter for the announcement of the verification” which will inform the ANSPs on the decided verification on ANS costs and the needed list of documents to initiate the planning phase.

***Explanatory note:***

NSAs are able to obtain from all relevant parties, including ANSPs under their supervision, relevant data necessary for the purpose of ensuring the proper implementation and oversight of the Regulations. As per the legal requirements, the ANSPs should facilitate inspections and surveys carried out by the NSAs for the purpose of monitoring the implementation of the performance and charging schemes.

The Regulations clearly foresee the access to by the NSA to all ANSP documents and information supporting the Performance Plans, determined costs, actual costs and unit rates.

More specifically, Regulation (EC) No 550/2004 and Regulation (EC) No 1070/2009 foresee that:

1. Article 2.2: Each national supervisory authority shall organise proper inspections and surveys to verify compliance with the requirements of this Regulation.
2. Article 15.2 (f): Transparency of the cost base for charges shall be guaranteed. Implementing rules for the provision of information by the service providers shall be adopted in order to permit reviews of the provider's forecasts, actual costs and revenues. Information shall be regularly exchanged between the national supervisory authorities, service providers, airspace users, the Commission and Eurocontrol.

Regulation (EU) 2019/317 complements and details it, foreseeing that:

1. Recital 7: National supervisory authorities should be able to obtain from all relevant parties, including air navigation service providers under their supervision, relevant data necessary for the purpose of ensuring the proper implementation and oversight of this Regulation at a local level. Air navigation service providers should facilitate inspections and surveys carried out by the national supervisory authorities for the purpose of monitoring the implementation of the performance and charging schemes.
2. Article 4.1 clearly lists the requirements in terms of provision of information and facilitation of monitoring by air navigation service providers. It foresees that the air navigation service providers shall, upon request and without delay, provide to those authorities the information about conditions relevant to the setting of performance targets, return on equity rate, planned investments, business plan, unforeseen changes, data on cost bases and information on the allocation of costs among en route and terminal air navigation services, revenues from commercial activities, public funds received.
3. Article 4.2 also foresees that air navigation service providers shall facilitate the activities necessary for the purposes of the monitoring by providing relevant documents, data, information and oral explanations upon request and, where the national law of that Member State so permits and in accordance with that national law, by giving access to relevant premises, land or vehicles.
4. Article 28.7: National supervisory authorities shall verify annually whether air navigation service providers apply correctly the provisions of this Article 28 (Cost risk sharing mechanism).
5. Annex II lists what description and justification of the costs are required (with strong focus on investments, economic assumptions, restructuring costs, cross-border cooperation initiatives and SESAR common projects).
6. Annex VII, 2.1 and 2.2 list the elements (in terms of additional information and justification) that can be requested to the ANSP regarding each line of Reporting Table 1 prior to the beginning of a reference period, as part of the Performance Plan.
7. Annex IX, 4 list the elements (in terms of additional information and justification) that can be requested annually to the ANSP regarding each line of Reporting Table 2, 3 and 4.

The NSA can use the standardised list of documentation presented below as a basis for the information to be requested from the ANSP. This list includes the main documents required for a cost verification. However, due to the differences amongst ANSPs’ accounting standards, technologies and methodologies, this list cannot be exhaustive and fully applicable to all ANSPs. Each NSA should tailor this list to their ANSPs specificities, adding what is relevant and removing what is not, before sending to their ANSPs.

**A Determined cost**

**A.1 Planning Phase**

|  |  |  |
| --- | --- | --- |
| **Ref** | **List of documents to request to the ANSP** | **Obtained?**  **(Yes / No / N.A.)** |
| **A.1.2** | **REQUEST INFORMATION TO THE SERVICE PROVIDER**   * + - * ANSPs last three financial audit reports from the preceding reference period used to estimate the determined costs;       * Organisational chart from ANSP. |  |
| **A.1.3** | **PERFORM PRELIMINARY RISK ASSESSMENT**   * Supporting evidence for the follow-up of factual findings from previous verifications. |  |

**A.2 Execution Phase**

| **Ref** | **List of documents to request to the ANSP** | **Obtained?**  **(Yes / No / N.A.)** |
| --- | --- | --- |
| **A.2.1.1** | **TRANSVERSAL TO ALL COST CATEGORIES BY NATURE**   * ANSP published financial statements from the preceding reference period used to estimate the determined costs; * ANS/non-ANS regulated accounts available of the year from the preceding reference period used to estimate the determined costs; * ANSP Business Plan; * List of adjustment(s) between the actual costs from the preceding period and the determined costs; * List of adjustment(s) made beyond the provisions of International Accounting Standards and justification. |  |
| **A.2.1.2** | **STAFF COSTS**   * Staff cost split/allocation methodology between regulated ANS by charging zone and other activities; * Supporting information used for determining the allocation keys between ANS (and by charging zone) and non-ANS (e.g. organisational chart with full-time equivalent (FTE) count). |  |
| **A.2.1.3** | **PROCEDURES FOR OTHER OPERATING COSTS**   * Breakdown of the adjustments for the other operating determined costs; * Description of the assumptions and justifications for the adjustments mentioned above; * Other operating cost split/allocation methodology between regulated ANS by charging zone and other activities; * Supporting information used for determining the allocation keys between ANS (and by charging zone) and non-ANS. |  |
| **A.2.1.4** | **PROCEDURES FOR DEPRECIATION**   * Breakdown of the adjustments for the depreciation determined costs; * Description of the assumptions and justifications for the adjustments mentioned above; * Asset register and/or depreciation calculation file, including at least original value of the assets, date of entry into operation, yearly depreciation, impairments, write offs, expected operating life; * Asset split/allocation methodology between regulated ANS by charging zone and other activities; * Supporting information used for determining the allocation keys between ANS (and by charging zone) and non-ANS; * Description and justification of the method adopted for the calculation of depreciation costs (historical costs or current cost) and, where current cost accounting is used, provision of comparable historical cost data. |  |
| **A.2.1.5** | **PROCEDURES FOR COST OF CAPITAL**   * The values of each of the items used in the cost of capital formula[[1]](#footnote-2) and assumptions for any related adjustment; * Asset register and/or depreciation calculation file, including at least original value of the assets, date of entry into operation, yearly depreciation, impairments, write offs, expected operating life and assets under construction; * For significant loans, obtain the loan agreements/contracts, bank statements of previous interest payment, calculation of the interest costs used and a description of the actions taken to manage the risk of unforeseen changes. |  |
| **A.2.1.6** | **PROCEDURES FOR EXCEPTIONAL COSTS**   * Breakdown of the exceptional determined costs amount included in the costs base (item 1.5 in Reporting Table 1) by item; * Justification that the items included in the exceptional costs are non-recurring and that they are necessary for the provision of air navigation services. |  |
| **A.2.3** | **PROCEDURES FOR ALLOCATIONS**   * ANSP methodology and assumptions for cost allocations between different air navigation services, charging zones and potentially regulated and non-regulated activities; * Extracts from the cost allocation software (if any) or cost allocation file(s). |  |
| **A.2.4.1** | **PROCEDURES FOR INFLATION**  Explanation of the cost accounting method used by the ANSPs (current or historical). |  |
| **A.2.4.2.1** | **PROCEDURES COST ITEMS REFERRED TO IN ARTICLE 28(3) – UNFORESEEN CHANGES IN COSTS OF NEW AND EXISTING INVESTMENTS**  *The verification of the planned new and existing investments and related determined costs is required on a yearly basis (if changes are made to the investment plan)*   * Description of the investment projects included in the Performance Plan; * Description of the investment projects that are expected to be added, cancelled or replaced during the reference period with respect to the major investment projects identified in the Performance Plan, and approved by the national supervisory authority. * Reconciliation between the costs of new and existing investments with the Reporting Table 1 cost by nature items, respectively items: 1.3 Depreciation, 1.4 Cost of capital and 1.2 Other operating costs. |  |
| **A.2.4.2.2** | **PROCEDURES FOR COST ITEMS REFERRED TO IN ARTICLE 28(3) – UNFORESEEN CHANGES IN COSTS OF COMPETENT AUTHORITIES, QUALIFIED ENTITIES AND EUROCONTROL**   * Explanation and justification on the nature and level of the determined costs of competent authorities, qualified entities and Eurocontrol (item 3.3 and 3.4 in Reporting Table 2A). * Supporting evidence of the eligibility of the organisations for which costs are included in the cost base; * Contracts between the organisations and ANSPs. |  |
| **A.2.4.2.3** | **PROCEDURES FOR COST ITEMS REFERRED TO IN ARTICLE 28(3) – UNFORESEEN CHANGES IN PENSION COSTS**   * + - * + Evidence of how unforeseen events can have an impact on the determined pension costs. |  |
| **A.2.4.2.4** | **PROCEDURES FOR COST ITEMS REFERRED TO IN ARTICLE 28(3) – UNFORESEEN CHANGES IN INTEREST RATES**   * + - * + Evidence of how unforeseen events can have an impact on the determined interest rates. |  |
| **A.2.4.2.5** | **PROCEDURES FOR COST ITEMS REFERRED TO IN ARTICLE 28(3) – UNFORESEEN CHANGES IN NATIONAL TAXATION LAW OR OTHER UNFORESEEABLE NEW COST ITEMS**   * Description of the assumptions used for the determined costs due to changes in national taxation law or other new cost items (item 3.7 in Reporting Table 2A), if any. |  |

**B Actual costs**

**B.1 Planning Phase**

| **Ref** | **List of documents to request to the ANSP** | **Obtained?**  **(Yes / No / N.A.)** |
| --- | --- | --- |
| **B.1.2** | **REQUEST INFORMATION FROM SERVICE PROVIDER**   * ANSPs financial audit report; * Internal audit report(s) issued for the organisation that is relevant for the period in scope and for the cost-eligibility areas; * Latest annual report of the organisation; * External audit report issued for the organisation that is relevant for the period in scope * Organisational chart; * Supporting evidence for the follow-up of factual findings from previous verifications. |  |

**B.2 Execution Phase**

| **Ref** | **List of documents to request to the ANSP** | **Obtained?**  **(Yes / No / N.A.)** |
| --- | --- | --- |
| **B.2.1.1** | **TRANSVERSAL TO ALL COST CATEGORIES BY NATURE**   * ANSP audited financial statements; * The list of adjustments made to the financial statements/statutory accounts in order to get to the numbers reported in the reporting tables; * The audit trail between the audited Financial Statements of the ANSP, the Regulatory/separate accounts for ANSP and the reporting tables. * List of adjustment(s) made beyond the provisions of International Accounting Standards and justification |  |
| **B.2.1.2** | **STAFF COSTS**   * Breakdown of the staff costs amount included in the costs base (item 1.1 in Reporting Table 1) by type (gross remuneration, overtime payments, employers' contributions to social security schemes, pension costs and costs of other benefits); * Payroll system extract; * Pension actuarial reports, if any; * Staff cost split/allocation methodology between regulated ANS by charging zone and other activities; * Supporting information used for determining the allocation keys between ANS (and by charging zone) and non-ANS (e.g. organisational chart with FTE count); * Timesheets, employment contracts, payslips, bank statements of all employees. |  |
| **B.2.1.3** | **PROCEDURES FOR OTHER OPERATING COSTS**   * Breakdown of the other operating costs amount included in the costs base (item 1.2 in Reporting Table 1) by type (outsourced services, material, energy, utilities, rental of buildings, equipment and facilities, maintenance, insurance costs and travel expenses, etc.); * Other operating cost split/allocation methodology between regulated ANS by charging zone and other activities; * Supporting information used for determining the allocation keys between ANS (and by charging zone) and non-ANS; * Other operating costs invoices and contracts. |  |
| **B.2.1.4** | **PROCEDURES FOR DEPRECIATION**   * Breakdown of the depreciation costs amount included in the costs base (item 1.3 in Reporting Table 1) by asset or asset type; * Asset register and/or depreciation calculation file, including at least original value of the assets, date of entry into operation, yearly depreciation, impairments, write offs, expected operating life; * Asset split/allocation methodology between regulated ANS by charging zone and other activities; * Supporting information used for determining the allocation keys between ANS (and by charging zone) and non-ANS; * Description and justification of the method adopted for the calculation of depreciation costs (historical costs or current cost) and, where current cost accounting is used, provision of comparable historical cost data; * Invoices related to the purchase or built of the assets. |  |
| **B.2.1.5** | **PROCEDURES FOR COST OF CAPITAL**   * The value and assumptions of each of the items used in the cost of capital formula (i.e. the average net book value of fixed assets in operation or under construction and WACC made of the interest rate on debts, the amount of debts, the return on equity and the amount of equity); * Asset register and/or depreciation calculation file, including at least original value of the assets, date of entry into operation, yearly depreciation, impairments, write offs, expected operating life and assets under construction; * ANSP audited financial statements with the debt and equity structure detailed. For material loans, obtain the loan agreements/contracts, the bank statements of interest payments, calculation of the interest costs used and a description of the implemented actions taken to manage the risk of unforeseen changes. |  |
| **B.2.1.6** | **PROCEDURES FOR EXCEPTIONAL COSTS**   * Breakdown of the exceptional costs amount included in the costs base (item 1.5 in Reporting Table 1) by item; * Justification that the items included in the exceptional costs are non-recurring and that they are necessary for the provision of air navigation services; * Invoices and contracts related to the exceptional costs. |  |
| **B.2.1.5** | **PROCEDURES FOR COST CENTRES**   * List of cost centres used; * ANSP formal policy or informal methodology for booking costs on cost centres; * Extract from the ANSP accounting software (before allocations) with the list of all GL accounts and cost centre combinations and the amount of cost booked on each of them; * List of journal entries (including the costs) and their related invoices, contracts or other supporting evidence. |  |
| **B.2.3.1** | **PROCEDURES FOR ALLOCATIONS**   * ANSP methodology for cost allocations between different air navigation services, charging zones and potentially regulated and non-regulated activities; * Extracts from the cost allocation software (if any) or cost allocation file(s). It needs to include the detail of all allocations (source, destination, amount of cost, allocation key/driver) for all allocation steps from the GL accounts and cost centres combinations (if cost centres are used) until the services and charging zones. If no dedicated software is used, the allocation files should be requested or at least the criteria used to allocate costs between air navigation services, charging zones and potentially regulated and non-regulated activities; * The source information used to determine the driver/allocation key/criteria quantities. |  |
| **B.2.4.1** | **PROCEDURES FOR INFLATION**   * The cost accounting method used by the ANSPs (current or historical). |  |
| **B.2.4.2** | **PROCEDURES FOR COST ITEMS REFERRED TO IN ARTICLE 28(3)**  Information and breakdown of the adjustments relating to previous reference periods impacting the unit rate calculation. |  |
| **B.2.4.2.1** | **PROCEDURES FOR COST ITEMS REFERRED TO IN ARTICLE 28(3) – UNFORESEEN CHANGES IN COSTS OF NEW AND EXISTING INVESTMENT**   * Description and justification of adjustments resulting from differences between determined and actual costs of new and existing investments as well as the difference between the planned and the actual date of entry into operation of the fixed assets financed by those investments for each year of the reference period; * Description of the investment projects added, cancelled or replaced during the reference period with respect to the major investment projects identified in the Performance Plan, and approved by the national supervisory authority; * Breakdown by investment of the new and existing investments included in the calculation of the adjustments in item 3.1, Reporting Table 2A ; * Reconciliation between the costs of new and existing investments with the 1.3 Depreciation, 1.4 Cost of capital and 1.2 Other operating costs. |  |
| **B.2.4.2.2** | **PROCEDURES FOR COST ITEMS REFERRED TO IN ARTICLE 28(3) – UNFORESEEN CHANGES IN COSTS OF COMPETENT AUTHORITIES, QUALIFIED ENTITIES AND EUROCONTROL**   * Description and justification of adjustments resulting from differences between determined and actual costs of competent authorities, qualified entities and Eurocontrol (item 3.3 and 3.4 in Reporting Table 2A); * If cost eligibility verification are delegated to qualified entities, obtain agreement and verify that the duration of contract is three years with the possibility of renewal; * If cost eligibility verification are delegated to qualified entities, documentation of verifications made in order to ensure compliance with the Regulation. |  |
| **B.2.4.2.3** | **PROCEDURES FOR COST ITEMS REFERRED TO IN ARTICLE 28(3) – UNFORESEEN CHANGES IN PENSION COSTS**   * Description and justification of adjustments resulting from differences between determined and actual costs of pension (item 3.5 in Reporting Table 2A); * Breakdown of the actual costs of pension costs included in the calculation of the adjustments in item 3.5, Reporting Table 2A; * Actuarial reports, if any; * Evidence that supports the actual costs (accounting records, invoices, banks statements of the proceeded payment, etc.). |  |
| **B.2.4.2.4** | **PROCEDURES FOR COST ITEMS REFERRED TO IN ARTICLE 28(3) – UNFORESEEN CHANGES IN INTEREST RATES**   * Description and justification of adjustments resulting from differences between determined and actual interest rates (item 3.6 in Reporting Table 2A); * Evidence that supports the actual costs of interest rates included in the calculation of the adjustments in item 3.6, Reporting Table 2A; |  |
| **B.2.4.2.5** | **PROCEDURES FOR COST ITEMS REFERRED TO IN ARTICLE 28(3) – UNFORESEEN CHANGES IN NATIONAL TAXATION LAW OR OTHER UNFORESEEABLE NEW COST ITEMS**   * Description and justification of adjustments resulting from differences between determined and actual costs due to changes in national taxation law or other new cost items (item 3.7 in Reporting Table 2A), if any; * Breakdown by item of the actual costs linked to national taxation law or other new cost items included in the calculation of the adjustments in item 3.7, Reporting Table 2A; * Evidence that supports the actual costs (tax declarations, bank statements of the paid taxes, accounting records of the amounts claimed, etc.). |  |
| **B.2.4.3** | **PROCEDURES FOR OTHER REVENUES**  *As different documents are required for the different type or revenues, they are listed in their dedicated sections B.2.4.3.1 - B.2.4.3.4.* |  |
| **B.2.4.3.1** | **PROCEDURES FOR OTHER REVENUES ART. 25(2)(i) – FINANCIAL SUPPORT FROM UNION ASSISTANCE PROGRAMMES**   * Grant Agreement together with evidence of the amounts received (bank statements, accounting records, etc.); * Split of the grants between OPEX and CAPEX; * Supporting evidence for the administrative costs eligibility and amount (invoices, accounting records, timesheets, payroll, etc.). |  |
| **B.2.4.3.2** | **PROCEDURES FOR OTHER REVENUES ART. 25(2)(i) – NATIONAL PUBLIC FUNDING**   * Grant Agreement together with support of the amounts received (bank statements, accounting records, etc.); * Post-audit project reports and evidence to support the changes made (if any). * Supporting evidence for the administrative costs eligibility and amount (invoices, accounting records, timesheets, payroll etc.); * Split of the grants between OPEX and CAPEX. |  |
| **B.2.4.3.3** | **PROCEDURES FOR OTHER REVENUES ART. 25(2)(i) – REVENUE FROM COMMERCIAL ACTIVITIES**   * Breakdown of the amounts related to commercial revenues (item 10.3 in Reporting Table 2A) and reconciliation with the financial statements. |  |
| **B.2.4.3.4** | **PROCEDURES FOR OTHER REVENUES ART. 25(2)(i) – REVENUE FROM CONTRACTS CONCLUDED BETWEEN ANSPs AND AIRPORT OPERATORS**   * Breakdown of the amounts related to revenues from contracts concluded between ANSPs and airport operators (item 10.4 in Reporting Table 2A) and reconciliation with the financial statements; * Contracts concluded between ANSPs and airport operators; * Supporting evidence for the revenue claimed (accounting records, invoices or the contracts as mentioned above). |  |
| **B.2.4.4** | **PROCEDURES FOR COMMON PROJECTS**   * The breakdown of the actual costs of common projects and other funded projects per individual project; * Reconciliation of common project costs with the actual depreciation costs (item 1.3), cost of capital (item 1.4) and cost of leasing (item 1.2) in Reporting Table 1; * Grant Agreement together with, if necessary, support of the amounts received (bank statements, accounting records, etc.); * Supporting evidence for the administrative costs eligibility and amount (invoices, accounting records, timesheets, payroll, etc.); * Split of the grants between OPEX and CAPEX. |  |

1. i.e. the average net book value of fixed assets in operation or under construction and weighted average cost of capital (WACC) made of the interest rate on debts, the amount of debts, the return on equity and the amount of equity. [↑](#footnote-ref-2)