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|--|---|
| Title: The Air Navigation Order (ANO) 2009 Changes as a result of EASA Operational Regulations Lead department or agency: UK Civil Aviation Authority Other departments or agencies: | Impact Assessment (IA) |
| | IA No: CAAFO1 |
| | Date: 07/07/2011 |
| | Stage: Consultation |
| | Source of intervention: EU |
| | Type of measure: Secondary legislation |
| Contact for enquiries: Head Flight Operations Policy, CAA e-mail: FOP.Admin@caa.co.uk | |

Summary: Intervention and Options

| | |
|---|----------------|
| What is the problem under consideration? Why is government intervention necessary? Regulation (EC) No. 216/2008 of the European Parliament ('the Basic EASA Regulation') requires that most types of civil aircraft operation be subject to European law by 8 April 2012 (in particular the Essential Requirements and Implementing Rules for air operations). Currently such operations are subject to either the Air Navigation Order 2009 (ANO) or Annex III to Regulation (EEC) No. 3922/91 ('EU-OPS'). Implementing Rules for some types of operation, including commercial air transport operations, will come into force on that date. Government intervention is necessary in order to amend the ANO to reflect the coming into force of the new Implementing Rules. | |
| What are the policy objectives and the intended effects? The first objective is to authorise the CAA to act as the competent authority for the UK for the purposes of the Air Operations Implementing Rules. This will be necessary in order to ensure that UK operators may continue to fly internationally, for new operators to be issued with an Air Operator Certificate, and for the UK to be able to discharge its responsibilities for inspection of foreign aircraft. The second objective is to establish sanctions for breaches of specified provisions of the Implementing Rules so that compliance will be enforceable. The third objective is to clarify UK legislation to reflect the fact that many of its provisions will be superseded by the Implementing Rules. | |
| What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base) Option 1 - Make no changes to the ANO. Option 2 - Amend the ANO by 8 April 2012 when the Implementing Rules are to come into force so as to authorise the CAA as the competent authority and to introduce sanctions for specified provisions. In addition, publish guidance explaining which provisions of the ANO are superseded and should be disregarded by operators required to comply with the Implementing Rules. Option 3 - As for Option 2 except also amending the ANO so as to identify those provisions which have been superseded rather than relying on guidance alone. Option 3 is the preferred option since Option 1 is unacceptable and Option 2 would involve most, if not all, of the preparatory work of Option 3. | |
| Will the policy be reviewed? It will not be reviewed. If applicable, set review date: Month/Year What is the basis for this review? Not applicable. If applicable, set sunset clause date: Month/Year | |
| Are there arrangements in place that will allow a systematic collection of monitoring information for future policy review? | Not applicable |

SELECT SIGNATORY Sign-off For consultation stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible SELECT SIGNATORY: _____ Date: _____

Summary: Analysis and Evidence

Policy Option 1

Description:

Make no changes to the ANO 2009.

| Price Base Year 2010 | PV Base Year 2011 | Time Period Years 10 | Net Benefit (Present Value (PV)) (£m) | | |
|-------------------------|----------------------|-------------------------|---------------------------------------|---------|------------------|
| | | | Low: 0 | High: 0 | Best Estimate: 0 |

| COSTS (£m) | Total Transition (Constant Price) Years | Average Annual (excl. Transition) (Constant Price) | Total Cost (Present Value) |
|---------------|--|---|-------------------------------|
| Low | 0 | 0 | 0 |
| High | 0 | 0 | 0 |
| Best Estimate | 0 | 0 | 0 |

Description and scale of key monetised costs by 'main affected groups'

Option 1 is the baseline for comparison, so by definition there are no costs.

Other key non-monetised costs by 'main affected groups'

Option 1 is the baseline for comparison, so by definition there are no costs.

| BENEFITS (£m) | Total Transition (Constant Price) Years | Average Annual (excl. Transition) (Constant Price) | Total Benefit (Present Value) |
|---------------|--|---|----------------------------------|
| Low | 0 | 0 | 0 |
| High | 0 | 0 | 0 |
| Best Estimate | 0 | 0 | 0 |

Description and scale of key monetised benefits by 'main affected groups'

Option 1 is the baseline for comparison, so by definition there are no benefits.

Other key non-monetised benefits by 'main affected groups'

Option 1 is the baseline for comparison, so by definition there are no benefits.

Key assumptions/sensitivities/risks

Discount rate (%) 3.5

It is assumed that EU legislation for aircraft operations will come into force with effect from 8 April 2012 as is specified in European Parliament Regulation 216/2008.

| | | | | |
|---|-------------|--------|-------------------|----------------------|
| Direct impact on business (Equivalent Annual) (£m): | | | In scope of OIOO? | Measure qualifies as |
| Costs: 0 | Benefits: 0 | Net: 0 | No | NA |

Enforcement, Implementation and Wider Impacts

| | | | | | |
|---|-------|----------------|-------|--------------------|-------|
| What is the geographic coverage of the policy/option? | | United Kingdom | | | |
| From what date will the policy be implemented? | | 08/04/2012 | | | |
| Which organisation(s) will enforce the policy? | | None | | | |
| What is the annual change in enforcement cost (£m)? | | N/A | | | |
| Does enforcement comply with Hampton principles? | | No | | | |
| Does implementation go beyond minimum EU requirements? | | No | | | |
| What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent) | | Traded: Nil | | Non-traded: Nil | |
| Does the proposal have an impact on competition? | | Yes | | | |
| What proportion (%) of Total PV costs/benefits is directly attributable to primary legislation, if applicable? | | Costs: Nil | | Benefits: Nil | |
| Distribution of annual cost (%) by organisation size (excl. Transition) (Constant Price) | Micro | < 20 | Small | Medium | Large |
| Are any of these organisations exempt? | No | No | No | No | No |

Specific Impact Tests: Checklist

Set out in the table below where information on any SITs undertaken as part of the analysis of the policy options can be found in the evidence base. For guidance on how to complete each test, double-click on the link for the guidance provided by the relevant department.

Please note this checklist is not intended to list each and every statutory consideration that departments should take into account when deciding which policy option to follow. It is the responsibility of departments to make sure that their duties are complied with.

| Does your policy option/proposal have an impact on...? | Impact | Page ref within IA |
|---|--------|--------------------|
| Statutory equality duties ¹ Statutory Equality Duties Impact Test guidance | No | 19 |
| Economic impacts | | |
| Competition Competition Assessment Impact Test guidance | Yes | 20 |
| Small firms Small Firms Impact Test guidance | No | 20 |
| Environmental impacts | | |
| Greenhouse gas assessment Greenhouse Gas Assessment Impact Test guidance | No | 20 |
| Wider environmental issues Wider Environmental Issues Impact Test guidance | No | 20 |
| Social impacts | | |
| Health and well-being Health and Well-being Impact Test guidance | No | 20 |
| Human rights Human Rights Impact Test guidance | No | 20 |
| Justice system Justice Impact Test guidance | No | 21 |
| Rural proofing Rural Proofing Impact Test guidance | No | 21 |
| Sustainable development Sustainable Development Impact Test guidance | No | 21 |

¹ Public bodies including Whitehall departments are required to consider the impact of their policies and measures on race, disability and gender. It is intended to extend this consideration requirement under the Equality Act 2010 to cover age, sexual orientation, religion or belief and gender reassignment from April 2011 (to Great Britain only). The Toolkit provides advice on statutory equality duties for public authorities with a remit in Northern Ireland.

Summary: Analysis and Evidence

Policy Option 2

Description:

Amend the ANO 2009 by 8 April 2012 to make the CAA the competent authority and introduce sanctions. Publish guidance to explain which provisions are superseded.

| Price Base Year 2010 | PV Base Year 2011 | Time Period Years 10 | Net Benefit (Present Value (PV)) (£m) | | |
|-------------------------|----------------------|-------------------------|---------------------------------------|--------------|-----------------------|
| | | | Low: 23,900 | High: 37,100 | Best Estimate: 30,300 |

| COSTS (£m) | Total Transition (Constant Price) Years | Average Annual (excl. Transition) (Constant Price) | Total Cost (Present Value) |
|---------------|---|---|-------------------------------|
| Low | 0 | 0 | 0 |
| High | 0 | 0 | 0 |
| Best Estimate | 0 | 0 | 0 |

Description and scale of key monetised costs by 'main affected groups'

Option 2 has no costs relative to Option 1.

Other key non-monetised costs by 'main affected groups'

Option 2 has no costs relative to Option 1.

| BENEFITS (£m) | Total Transition (Constant Price) Years | Average Annual (excl. Transition) (Constant Price) | Total Benefit (Present Value) |
|---------------|---|---|----------------------------------|
| Low | 0 | 2,900 | 23,900 |
| High | 0 | 4,500 | 37,100 |
| Best Estimate | 0 | 3,700 | 30,300 |

Description and scale of key monetised benefits by 'main affected groups'

The main benefit of Option 2 over Option 1 is that UK aircraft operators would continue to be able to fly internationally, so their businesses would not be impaired by the coming into force of the European legislation. In turn, employees of these companies would not lose their jobs and the UK Government would not lose the tax levied through aircraft operations.

Other key non-monetised benefits by 'main affected groups'

Under Option 2 the UK would continue to have a designated and duly empowered national competent authority to oversee and enforce appropriate requirements. Therefore the travelling public would benefit in terms of better safety from having a national competent authority overseeing UK commercial air transport operators and carrying out checks on foreign commercial air transport operators flying in the UK.

Key assumptions/sensitivities/risks

Discount rate (%) 3.5

It is assumed that EU legislation for aircraft operations will come into force with effect from 8 April 2012 as is specified in European Parliament Regulation 216/2008.

It is assumed that the ANO would be amended anyway at this time to incorporate changes to the regulations for pilot licensing, so not making possible amendments at this time would be of little benefit.

| | | | | |
|---|-----------------|-------------|-------------------|----------------------|
| Direct impact on business (Equivalent Annual) (£m): | | | In scope of OIOO? | Measure qualifies as |
| Costs: 0 | Benefits: 316.1 | Net: -316.1 | No | NA |

Enforcement, Implementation and Wider Impacts

| | | | | | |
|---|-------|----------------|-------|--------------------|-------|
| What is the geographic coverage of the policy/option? | | United Kingdom | | | |
| From what date will the policy be implemented? | | 08/04/2012 | | | |
| Which organisation(s) will enforce the policy? | | UK CAA | | | |
| What is the annual change in enforcement cost (£m)? | | 0 | | | |
| Does enforcement comply with Hampton principles? | | Yes | | | |
| Does implementation go beyond minimum EU requirements? | | No | | | |
| What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent) | | Traded: Nil | | Non-traded: Nil | |
| Does the proposal have an impact on competition? | | No | | | |
| What proportion (%) of Total PV costs/benefits is directly attributable to primary legislation, if applicable? | | Costs: Nil | | Benefits: Nil | |
| Distribution of annual cost (%) by organisation size (excl. Transition) (Constant Price) | Micro | < 20 | Small | Medium | Large |
| Are any of these organisations exempt? | No | No | No | No | No |

Specific Impact Tests: Checklist

Set out in the table below where information on any SITs undertaken as part of the analysis of the policy options can be found in the evidence base. For guidance on how to complete each test, double-click on the link for the guidance provided by the relevant department.

Please note this checklist is not intended to list each and every statutory consideration that departments should take into account when deciding which policy option to follow. It is the responsibility of departments to make sure that their duties are complied with.

| Does your policy option/proposal have an impact on...? | Impact | Page ref within IA |
|---|--------|--------------------|
| Statutory equality duties ¹ Statutory Equality Duties Impact Test guidance | No | 19 |
| Economic impacts | | |
| Competition Competition Assessment Impact Test guidance | No | 20 |
| Small firms Small Firms Impact Test guidance | No | 20 |
| Environmental impacts | | |
| Greenhouse gas assessment Greenhouse Gas Assessment Impact Test guidance | No | 20 |
| Wider environmental issues Wider Environmental Issues Impact Test guidance | No | 20 |
| Social impacts | | |
| Health and well-being Health and Well-being Impact Test guidance | No | 20 |
| Human rights Human Rights Impact Test guidance | No | 20 |
| Justice system Justice Impact Test guidance | No | 21 |
| Rural proofing Rural Proofing Impact Test guidance | No | 21 |
| Sustainable development Sustainable Development Impact Test guidance | No | 21 |

¹ Public bodies including Whitehall departments are required to consider the impact of their policies and measures on race, disability and gender. It is intended to extend this consideration requirement under the Equality Act 2010 to cover age, sexual orientation, religion or belief and gender reassignment from April 2011 (to Great Britain only). The Toolkit provides advice on statutory equality duties for public authorities with a remit in Northern Ireland.

Summary: Analysis and Evidence

Policy Option 3

Description:

Amend the ANO 2009 by 8 April 2012 to make the CAA the competent authority, introduce sanctions and identify which provisions are superseded.

| Price Base Year 2010 | PV Base Year 2011 | Time Period Years 10 | Net Benefit (Present Value (PV)) (£m) | | |
|-------------------------|----------------------|-------------------------|---------------------------------------|--------------|-----------------------|
| | | | Low: 23,900 | High: 37,100 | Best Estimate: 30,300 |

| COSTS (£m) | Total Transition (Constant Price) Years | Average Annual (excl. Transition) (Constant Price) | Total Cost (Present Value) |
|---------------|--|---|-------------------------------|
| Low | 0 | 0 | 0 |
| High | 0 | 0 | 0 |
| Best Estimate | 0 | 0 | 0 |

Description and scale of key monetised costs by 'main affected groups'

Option 3 has no costs relative to Option 1.

Other key non-monetised costs by 'main affected groups'

Option 3 has no costs relative to Option 1.

| BENEFITS (£m) | Total Transition (Constant Price) Years | Average Annual (excl. Transition) (Constant Price) | Total Benefit (Present Value) |
|---------------|--|---|----------------------------------|
| Low | 0 | 2,900 | 23,900 |
| High | 0 | 4,500 | 37,100 |
| Best Estimate | 0 | 3,700 | 30,300 |

Description and scale of key monetised benefits by 'main affected groups'

The main benefit of Option 3 over Option 1 is that UK aircraft operators would continue to be able to fly internationally, so their businesses would not be impaired by the coming into force of the European legislation. In turn, employees of these companies would not lose their jobs and the UK Government would not lose the tax levied through aircraft operations.

Other key non-monetised benefits by 'main affected groups'

Under Option 3 the UK would continue to have a designated and duly empowered national competent authority to oversee and enforce appropriate requirements. Therefore the travelling public would benefit in terms of better safety from having a national competent authority overseeing UK commercial air transport operators and carrying out checks on foreign commercial air transport operators flying in the UK.

Key assumptions/sensitivities/risks

Discount rate (%) 3.5

It is assumed that EU legislation for aircraft operations will come into force with effect from 8 April 2012 as is specified in European Parliament Regulation 216/2008.

It is assumed that the ANO would be amended anyway at this time to incorporate changes to the regulations for pilot licensing, so not making possible amendments at this time would be of little benefit.

| | | | | |
|---|-----------------|-------------|-------------------|----------------------|
| Direct impact on business (Equivalent Annual) (£m): | | | In scope of OIOO? | Measure qualifies as |
| Costs: 0 | Benefits: 316.1 | Net: -316.1 | No | NA |

Enforcement, Implementation and Wider Impacts

| | | | | | |
|---|-------|----------------|-------|--------------------|-------|
| What is the geographic coverage of the policy/option? | | United Kingdom | | | |
| From what date will the policy be implemented? | | 08/04/2012 | | | |
| Which organisation(s) will enforce the policy? | | UK CAA | | | |
| What is the annual change in enforcement cost (£m)? | | 0 | | | |
| Does enforcement comply with Hampton principles? | | Yes | | | |
| Does implementation go beyond minimum EU requirements? | | No | | | |
| What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent) | | Traded: Nil | | Non-traded: Nil | |
| Does the proposal have an impact on competition? | | No | | | |
| What proportion (%) of Total PV costs/benefits is directly attributable to primary legislation, if applicable? | | Costs: Nil | | Benefits: Nil | |
| Distribution of annual cost (%) by organisation size (excl. Transition) (Constant Price) | Micro | < 20 | Small | Medium | Large |
| Are any of these organisations exempt? | No | No | No | No | No |

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¹ Public bodies including Whitehall departments are required to consider the impact of their policies and measures on race, disability and gender. It is intended to extend this consideration requirement under the Equality Act 2010 to cover age, sexual orientation, religion or belief and gender reassignment from April 2011 (to Great Britain only). The Toolkit provides advice on statutory equality duties for public authorities with a remit in Northern Ireland.

Evidence Base (for summary sheets) – Notes

Use this space to set out the relevant references, evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Please fill in **References** section.

References

Include the links to relevant legislation and publications, such as public impact assessments of earlier stages (e.g. Consultation, Final, Enactment) and those of the matching IN or OUTs measures.

| No. | Legislation or publication |
|-----|---|
| 1 | European Parliament Regulation No. 216/2008 |
| 2 | EASA CRD 2008-22 (Part-AR and Part-OR) |
| 3 | EASA CRD 2009-02 (Part-AR, Part-OR, Part-OPS, Part-CC and Part-TCO) |
| 4 | EASA Opinion 04/2011 |
| 5 | Air Navigation Order 2009 |

Evidence Base

Ensure that the information in this section provides clear evidence of the information provided in the summary pages of this form (recommended maximum of 30 pages). Complete the **Annual profile of monetised costs and benefits** (transition and recurring) below over the life of the preferred policy (use the spreadsheet attached if the period is longer than 10 years).

The spreadsheet also contains an emission changes table that you will need to fill in if your measure has an impact on greenhouse gas emissions.

Annual profile of monetised costs and benefits* - (£m) constant prices

| | Y ₀ | Y ₁ | Y ₂ | Y ₃ | Y ₄ | Y ₅ | Y ₆ | Y ₇ | Y ₈ | Y ₉ |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Transition costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Annual recurring cost | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total annual costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transition benefits | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Annual recurring benefits | 3,700 | 3,700 | 3,700 | 3,700 | 3,700 | 3,700 | 3,700 | 3,700 | 3,700 | 3,700 |
| Total annual benefits | 3,700 | 3,700 | 3,700 | 3,700 | 3,700 | 3,700 | 3,700 | 3,700 | 3,700 | 3,700 |

* For non-monetised benefits please see summary pages and main evidence base section

Evidence Base (for summary sheets)

1 Problem under Consideration

- 1.1 Currently air operations in the UK are subject to several pieces of UK legislation, including the Air Navigation Order (ANO) 2009 and the Rules of the Air Regulations 2007. Commercial Air Transport operations for aeroplanes (essentially most operations carrying passengers or goods in exchange for payment) are subject to Annex III to Regulation (EEC) No. 3922/91 ('EU-OPS'). Where operations are subject to EU-OPS (which takes precedence over the ANO articles), the relevant ANO articles are disapplied from EU-OPS operations so that only one equivalent regulation applies in any instance.
- 1.2 Regulation (EC) No. 216/2008 of the European Parliament ('the Basic EASA Regulation') establishing implementing rules for operations introduces requirements for aircraft operations. The Basic EASA Regulation and the associated Essential Requirements and Implementing Rules are hereafter referred to as the 'EASA Regulations'. From 8 April 2012 these requirements will supersede a number of provisions of the ANO. An operator to which the new Regulation applies must comply with that Regulation and not with the equivalent provision in the ANO. It is not permissible for the UK to include in its domestic legislation additional operational requirements for such operators. The changes to the ANO set out in the '[Proposed Amendment to the ANO](#)' document identify those ANO provisions which have been thus superseded and should be expressly disapplied. They simply make explicit what is in any event the legal position. These changes may therefore be seen as simply clarifying the legal position. They do not themselves have any impact on any operator. Any impacts will be as a result of the coming into force of the new EU Regulation and will occur whether or not these proposed clarifying amendments to the ANO are made.
- 1.3 Implementing Rules for some other types of operation have not yet been published. When they become available, appropriate amendments to the ANO will be brought forward.

2 Rationale for Intervention

- 2.1 Where they apply, the EASA Regulations will take precedence over the current UK regulations. The EASA Regulations require the UK to designate at least one entity as the competent authority with allocated responsibilities for the certification and oversight of persons and organisations subject to the EASA Regulations. If this is not done then the operators may not be allowed to fly to or transit through EU States or other foreign countries, since the required regulatory oversight would not be in place.
- 2.2 It will also be necessary to amend the ANO to include sanctions for breaches of specified provisions of the EASA Regulations. Without this the EASA Regulations would not be enforceable in the UK.
- 2.3 Furthermore, after 8 April 2012 many of the articles in the ANO 2009 will not apply to a significant proportion of operations, since the EASA Regulations will apply instead. Better Regulation principles dictate that it is preferable to amend the ANO to specify when articles will or will not apply.

3 Policy Objective

- 3.1 The reason for proposing an amendment to the ANO is to manage the transition from UK to European law in such a way that operations are not restricted unnecessarily.

- 3.2 The primary objective of the policy is to authorise the CAA to act as the competent authority for the UK for the purposes of the Air Operations Implementing Rules. This will be necessary in order to ensure that UK operators may continue to fly internationally, for new UK operators to be issued with an Air Operator Certificate, and for the UK to be able to discharge its responsibilities for the inspection of foreign aircraft.
- 3.3 The secondary objective of the policy is to establish sanctions for breaches of specified provisions of the Implementing Rules so that compliance will be enforceable.
- 3.4 The tertiary objective of the policy is to clarify UK legislation to reflect the fact that many of its provisions will be superseded by the Implementing Rules

4 Description of Options Considered

- 4.1 The EASA Regulations will come into force on 8 April 2012 regardless of whether the UK legislation is changed. Consequently one option would be not to amend the ANO but to rely on the fact that the EASA Regulations supersede parts of the ANO. This is the first option.
- 4.2 It is assumed that the ANO will only be amended annually in order to minimise the work involved for the government staff preparing the amendments. It is further assumed that these amendments will occur in April each year to coincide with the dates of European legislation coming into force.
- 4.3 The most important potential changes to the ANO are designating the CAA as the competent authority (since if there is no competent authority aircraft operations will not be able to continue as they currently do) and establishing sanctions (since the lack of sanctions for certain breaches of the Implementing Rules would be a significant safety issue).
- 4.4 The other potential changes to the ANO are less significant, since the relevant provisions in the Implementing Rules supersede provisions in the ANO. Even if these provisions in the ANO were not amended, legally they would not apply to operators required to comply with the Implementing Rules.
- 4.5 If the ANO is being amended then it is logical to include the significant changes. Hence the two further options are to amend the ANO with just the significant changes, and to amend the ANO with the significant and cosmetic changes.
- 4.6 In the case where only the significant changes are included in the ANO, it would be desirable to make clear to people when the ANO applied and when the Implementing Rules applied. Thus in this case the CAA would publish guidance to explain which provisions of the ANO have been superseded and should be disregarded by operators required to comply with the Implementing Rules.
- 4.7 Thus the options under consideration are as follows:
- 1) Make no changes to the ANO.
 - 2) Amend the ANO by 8 April 2012 when the Implementing Rules are to come into force so as to authorise the CAA as the competent authority and to introduce sanctions for specified provisions. Publish guidance explaining which provisions of the ANO are superseded and should be disregarded by operators required to comply with the Implementing Rules.
 - 3) Amend the ANO as in Option 2, and also identify and disapply those provisions which have been superseded by the Implementing Rules.

5 Costs and Benefits of Each Option

5.1 General

5.1.1 The costs and benefits in paragraphs 5.2 to 5.5 have been estimated relative to the current circumstances. The costs and benefits of Option 1 have been calculated using these estimated values. Since Option 1 is used as the baseline for comparison, the net cost of Option 1 has been rebased to zero, and the costs and benefits of Options 2 and 3 have been assessed against this.

5.1.2 Interested parties are invited to comment on the estimates of costs and benefits used in paragraph 5, in order that more accurate estimates can be used if necessary.

5.2 Estimates of Major Commercial Costs

5.2.1 If aviation were to be stopped by lack of suitable legislation, one annual cost would be the loss of current income from commercial aviation. The main components of this income are:

- i) tax paid to the UK government;
- ii) pay earned by airline staff; and
- iii) profits made by airlines.

5.2.2 These costs have been estimated as follows (all figures in £ million):

a) The following data has been taken from the CAA website (www.caa.co.uk/ukairlinesfinancial > 2009-2010):

- Profit (Loss) before Tax [Table 2.2, All Major Airlines]
- Pay and Expenses for Flight Crew and Cabin Crew [Table 2.3, Total UK Airlines, Rows 8-11]

Note: Expenses are included because the amounts for flight crew pay, flight crew expenses and cabin crew pay are combined. Pay for other staff is not included as it is not listed separately.

- Tax Paid by Airlines [Table 2.4, Line 4, Total UK Airlines]

For each year, the Tax is subtracted from the Profit (Loss) before Tax to give the Profit (Loss) to the Airline after Tax.

Table 1 – Benefits of commercial aviation in the years 2002-2009

| Year | Benefits (£ million) | | | |
|------|----------------------|--------|--------|------------------|
| | Profit before Tax | Pay | Tax | Profit after Tax |
| 2002 | 348.7 | 1435.3 | 102.6 | 246.1 |
| 2003 | 484.1 | 1608.7 | 153.3 | 330.8 |
| 2004 | 673.4 | 1722.7 | 180.2 | 493.2 |
| 2005 | 924.0 | 1865.8 | 237.8 | 686.2 |
| 2006 | 607.8 | 1927.5 | 220.8 | 387.0 |
| 2007 | 947.1 | 2035.8 | 277.9 | 669.2 |
| 2008 | -282.6 | 2269.5 | -42.7 | -239.9 |
| 2009 | -767.1 | 2870.6 | -117.7 | -649.4 |

- b) The figures are adjusted for inflation using the following Consumer Prices Index (CPI) data from the Office for National Statistics website (www.statistics.gov.uk):

Table 2 – CPI Index, 2002-2010

| Date | CPI Index |
|--------------|-----------|
| January 2002 | 94.4 |
| January 2003 | 95.7 |
| January 2004 | 97.0 |
| January 2005 | 98.6 |
| January 2006 | 100.5 |
| January 2007 | 103.2 |
| January 2008 | 105.5 |
| January 2009 | 108.7 |
| January 2010 | 112.4 |

D7BT CPI Index 00: All Items
2005 = 100
Not seasonally adjusted

Adjusting for inflation gives the following values in January 2010 prices:

Table 3 - Benefits of commercial aviation (2002-2009) adjusted for inflation

| Year | Benefits (£ million) | | |
|------|----------------------|--------|------------------|
| | Pay | Tax | Profit after Tax |
| 2002 | 1709.0 | 122.2 | 246.1 |
| 2003 | 1889.4 | 180.1 | 330.8 |
| 2004 | 1996.2 | 208.8 | 493.2 |
| 2005 | 2126.9 | 271.1 | 686.2 |
| 2006 | 2155.7 | 246.9 | 387.0 |
| 2007 | 2217.3 | 302.7 | 669.2 |
| 2008 | 2417.9 | -45.5 | -239.9 |
| 2009 | 2968.3 | -121.7 | -649.4 |

- c) The mean values over the past several years are then calculated:

Table 4 – Mean values (over periods of one year to eight years) of the benefits of commercial aviation (2002-2009)

| Averaging Period | Benefits (£ million) | | |
|------------------|----------------------|--------|------------------|
| | Pay | Tax | Profit after Tax |
| 2002-2009 | 2185.1 | 145.6 | 283.7 |
| 2003-2009 | 2253.1 | 148.9 | 282.4 |
| 2004-2009 | 2313.7 | 143.7 | 264.7 |
| 2005-2009 | 2377.2 | 130.7 | 203.4 |
| 2006-2009 | 2439.8 | 95.6 | 58.6 |
| 2007-2009 | 2534.5 | 45.2 | -66.1 |
| 2008-2009 | 2693.1 | -83.6 | -463.5 |
| 2009 | 2968.3 | -121.7 | -649.4 |

- d) The pay figures are on an increasing trend, so a best estimate would be from the most recent years, say £ 3,000 m per year. To provide a margin for error, the lower and upper estimates are taken to be £ 2,700 m per year and £ 3,300 m per year respectively.

The figures for tax and airline profit are much more volatile, so the recent values are not so typical. Averaging over a longer period evens out the fluctuations, but using an average over too many years means that years in which the industry may have been different for various reasons are included. Hence the values using the six-year average (2004-2009) are used as the best estimates. Suitable margins for error are included to obtain the lower and upper estimates.

Table 5 – Estimates of the benefits per year to the UK due to commercial aviation

| | Estimate (£ million per year) | | |
|-----------------------|-------------------------------|-------|-------|
| | Lower | Best | Upper |
| Pay | 2,700 | 3,000 | 3,300 |
| Tax | 110 | 140 | 160 |
| Airline Profit | 200 | 260 | 300 |
| Total | 3,010 | 3,400 | 3,760 |

5.3 Estimates of Major General Aviation Costs

- 5.3.1 According to the CAA Strategic Plan 2011-2016, general aviation contributes £ 1,400 million annually to the UK economy, so this is taken to be the best estimate of the annual cost if general aviation were to be forced to stop because of lack of suitable legislation. The lower and upper estimates are taken to be £ 1,300 million and £ 1,500 million respectively.

5.4 Estimates of Other Costs

- 5.4.1 Any other costs are assumed to be a direct result of the coming into force of the Implementing Rules. As such, these costs are not attributable to the policy options described here and so are not included in the analysis. In particular, there are no transition costs.

5.5 Estimates of Benefits

- 5.5.1 Once the EASA Regulations come into force and the regulations across Europe are harmonised, there will be benefits of having a level playing field across Europe with regard to aircraft operations. However, these benefits are not attributable to the policy options described here since they are a direct result of the coming into force of the European legislation.

5.6 Costs and Benefits of Option 1

- 5.6.1 Under Option 1 the CAA would not be designated as the competent authority for the purposes of the EASA air operations regulation.
- 5.6.2 Aircraft are permitted to fly to or over other countries on the understanding that the aircraft operators are regulated by a competent authority in the country where the operator is based (the State of the Operator). If the UK has no competent authority overseeing EASA air operations regulations then the ability of UK operators to fly internationally will be severely constrained.
- 5.6.3 The EASA Regulations require operators to have various approvals, permissions and exemptions in order to do certain things. Examples include the requirement to have an Air Operator Certificate in order to carry passengers or cargo in exchange for payment,

and the requirement to have an approval before conducting low visibility operations. The lack of a competent authority means that there would be nobody able to issue such documents. In accordance with the EASA Regulations, existing aeroplane and helicopter AOCs need to be re-issued as EASA AOCs by April 2014 in order for commercial operations to continue.

5.6.4 Since commercial operations are predominantly international, it can be assumed that the lack of a competent authority would have a significant cost on commercial operators. The only unaffected operations would be those taking place within the UK that did not require any other approvals, and even they would only be unaffected for two years.

5.6.5 The impact on commercial operators of Option 1 can be assumed to be as follows:

Table 6 – Estimated impact on commercial operators of Option 1

| Year | Estimated impact (as % of operations affected) | | |
|-----------|---|--------|------|
| | Low | Medium | High |
| 1 | 70 | 80 | 90 |
| 2 | 75 | 85 | 95 |
| 3 onwards | 94 | 96 | 98 |

5.6.6 Combining these percentages with the Lower, Best and Upper estimates of costs from paragraph 5.2.2(d) gives the following estimates of major costs with regard to commercial aviation:

Table 7 – Estimated costs to the UK of Option 1 associated with commercial operations (relative to current circumstances)

| Item | Year | Estimated cost per year (£ million) | | |
|--------------|--------|-------------------------------------|---------|---------|
| | | Lower | Best | Upper |
| Lost Pay | 1 | 1,890.0 | 2,400.0 | 2,970.0 |
| | 2 | 2,025.0 | 2,550.0 | 3,135.0 |
| | 3 - 10 | 2,538.0 | 2,880.0 | 3,234.0 |
| Lost Tax | 1 | 77.0 | 112.0 | 144.0 |
| | 2 | 82.5 | 119.0 | 152.0 |
| | 3 - 10 | 103.4 | 134.4 | 156.8 |
| Lost Profit | 1 | 140.0 | 208.0 | 270.0 |
| | 2 | 150.0 | 221.0 | 285.0 |
| | 3 - 10 | 188.0 | 249.6 | 294.0 |
| Total Losses | 1 | 2,107.0 | 2,720.0 | 3,384.0 |
| | 2 | 2,257.5 | 2,890.0 | 3,527.0 |
| | 3 - 10 | 2,829.4 | 3,264.0 | 3,684.8 |

5.6.7 Under Option 1, the costs to general aviation would be the result of not being able to be issued with approvals, permissions and exemptions, as described above for commercial operations. Assume that this impacts on 15%, 35% and 55% of general aviation operations per year (Lower, Best and Upper estimates respectively). Combining these percentages with the Lower, Best and Upper estimates of costs from paragraph 5.3.1 gives the following estimates of annual costs with regard to general aviation:

Table 8 – Estimated costs to the UK of Option 1 associated with general aviation (relative to current circumstances)

| Estimated cost per year (£ million) | | |
|-------------------------------------|-------|-------|
| Lower | Best | Upper |
| 195.0 | 490.0 | 825.0 |

5.6.8 The estimates of the total monetised costs of Option 1 are therefore as follows:

Table 9 - Estimates of the total monetised costs of Option 1 (relative to current circumstances)

| Year | Estimated cost per year (£ million) | | |
|-------------------------------|-------------------------------------|----------|----------|
| | Lower | Best | Upper |
| 1 | 2,302.0 | 3,210.0 | 4,209.0 |
| 2 | 2,452.5 | 3,380.0 | 4,352.0 |
| 3 - 10 | 3,024.4 | 3,754.0 | 4,509.8 |
| Total for years 1-10 | 28,949.7 | 36,622.0 | 44,639.4 |
| Average for years 1-10 | 2,895.0 | 3,662.2 | 4,463.9 |

5.6.9 Using a discount rate of 3.5%, the lower estimate of the present value of the total cost of Option 1 over 10 years is:

$$\frac{2302}{1.035} + \frac{2452.5}{(1.035)^2} + \dots + \frac{3024.4}{(1.035)^{10}} = \text{£ } 23,920.9 \text{ m}$$

5.6.10 Calculating the best and upper estimates similarly gives the following:

Table 10 - Estimates of the present value of the total cost of Option 1 over 10 years (relative to current circumstances)

| | |
|----------------|--------------|
| Lower estimate | £ 23,920.9 m |
| Best estimate | £ 30,345.8 m |
| Upper estimate | £ 37,068.3 m |

5.6.11 If the UK CAA is not nominated as the competent authority for the purposes of the EASA air operations regulation then the UK would no longer be empowered to carry out safety assessments of foreign operators flying to the UK, which would have a cost in terms of potentially reduced safety.

5.6.12 If the ANO is not amended then no sanctions would exist in UK law for breaches of the EASA Regulations. This would also have a cost in terms of potentially reduced safety since there would be less deterrent for operators not to break the law.

5.6.13 There are no benefits associated with Option 1.

5.6.14 As described in paragraph 5.1.1, the options are assessed relative to Option 1, so by definition the costs and benefits of Option 1 are rebased to zero.

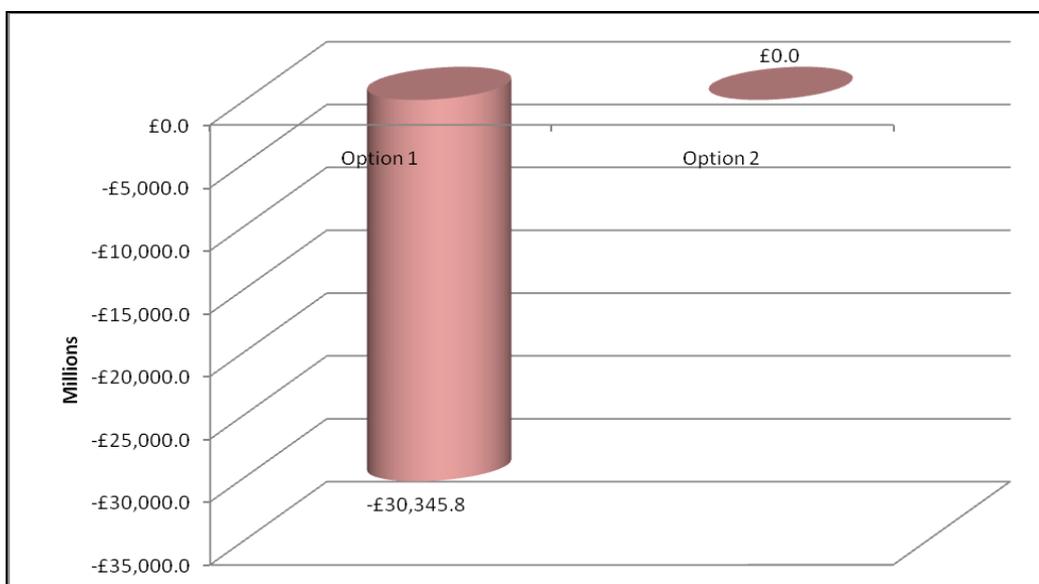
5.7 Costs and Benefits of Option 2

5.7.1 Option 2 empowers the CAA as the competent authority for the purposes of the EASA air operations regulations, so air operations will be able to continue more or less as they are currently. There will be little difference in the burden of regulation on operators, since for the most part existing regulations in the ANO will be superseded by broadly equivalent regulations in the EASA Regulations.

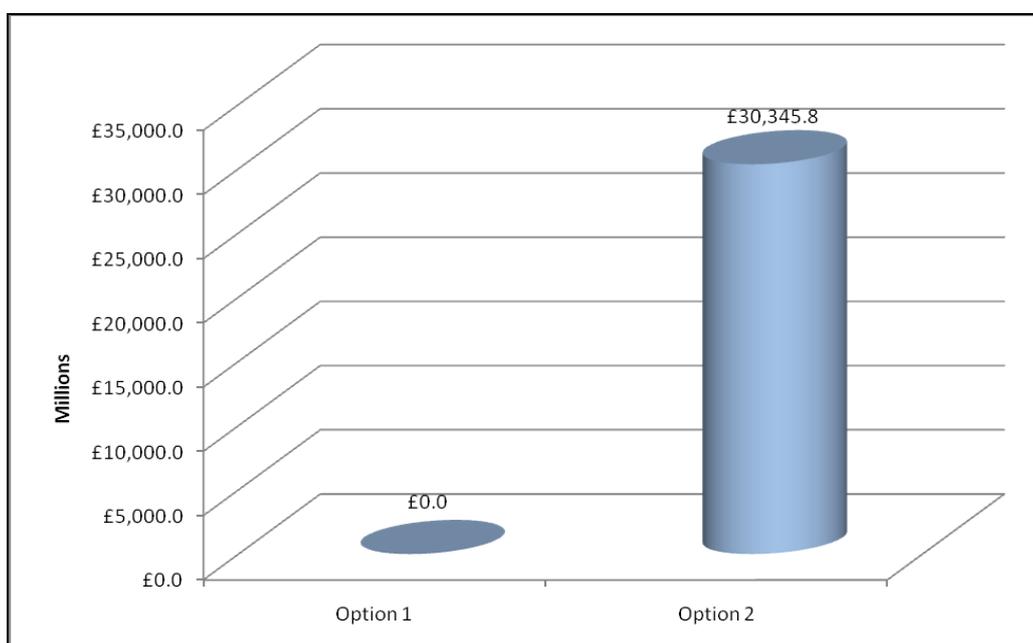
5.7.2 Hence, relative to the current circumstances, Option 2 has no costs or benefits.

5.7.3 Therefore, relative to Option 1, the benefits of Option 2 are precisely the costs (relative to the current circumstances) that would have been incurred under Option 1.

**Total Present Value of Losses, relative to current circumstances
(effectively Option 2 is the baseline)**



**Total Present Value of Benefits, relative to Option 1
(i.e. when Option 1 is the baseline)**



- 5.7.4 There are no transition or annual costs for Option 2, relative to Option 1.
- 5.7.5 The average annual benefits of Option 2, relative to Option 1, are the average annual costs for Option 1 calculated in Table 9, as follows:

Table 11 - Estimates of the average benefits to the UK of Option 2 (with Option 1 as the baseline for comparison)

| | Average annual benefit (£ million) | |
|-------|------------------------------------|------------------------------------|
| | From Table 9 | Rounded value used on Summary page |
| Lower | 2,895.0 | 2,900 |
| Best | 3,662.2 | 3,700 |
| Upper | 4,463.9 | 4,500 |

- 5.7.6 The total benefits of Option 2, relative to Option 1, are the total costs for Option 1 calculated in Table 10, as follows:

Table 12 - Estimates of the present value of the total benefits to the UK of Option 2 (with Option 1 as the baseline for comparison)

| | Total benefit (£ million) | |
|-------|---------------------------|------------------------------------|
| | From Table 10 | Rounded value used on Summary page |
| Lower | 23,920.9 | 23,900 |
| Best | 30,345.8 | 30,300 |
| Upper | 37,068.3 | 37,100 |

- 5.7.7 Relative to Option 1, the main benefit of Option 2 is that UK commercial air transport operators will continue to be able to fly internationally. For this to be the case, the UK must remain in compliance with its obligations under EU law and the Chicago Convention. These obligations include having a designated and duly empowered national competent authority to oversee and enforce appropriate requirements. The travelling public will benefit from having a national competent authority overseeing UK commercial transport operators and carrying out checks on foreign commercial air transport operators flying into the UK.
- 5.7.8 If Option 2 is implemented then there will be benefits to aircraft operators of having a level playing field across Europe with regard to aircraft operations. However, as described in paragraph 5.5.1, these benefits will be attributable to the European legislation and so should not be included in this analysis.

5.8 Costs and Benefits of Option 3

- 5.8.1 Option 3 is similar to Option 2 – the only difference being that the ANO provisions superseded by provisions in the EASA Implementing Rules are expressly disapplied in the ANO instead of merely being notified by separate guidance.
- 5.8.2 This does not make any difference to the costs and benefits, so the costs and benefits of Option 3 (relative to Option 1) are the same as those for Option 2.

6 Risks and Assumptions

- 6.1 The biggest risk is that if the UK does not have appropriate legislation and regulatory oversight in place then foreign States will not have confidence in the safety of UK operators. Thus air travel between the UK and other States could be severely curtailed.
- 6.2 It is assumed that EU legislation for aircraft operations will come into force with effect from 8 April 2012 as is specified in European Parliament Regulation 216/2008.
- 6.3 It is assumed that the ANO will be amended in April 2012 to take account of the EASA Licensing Regulations that will have effect from 8 April 2012.
- 6.4 It is assumed that amendments to the ANO will only be made annually because of constraints in Government resources.
- 6.5 It is assumed that if no sanctions were in place for breaches of the regulations, people would be more likely to break the law.

7 Direct Costs and Benefits to Business Calculations (following OIOO methodology)

7.1 General

- 7.1.1 The potential direct costs to business (relative to the current circumstances) are:
- Lost profits for commercial aviation as a result of being unable to operate (£ 260 m per year, from paragraph 5.2.2(d)).
 - A proportion of the losses due to general aviation not being able to operate fully. From paragraph 5.3.1 the best estimate of this is £1,400 m per year. Assuming that the direct cost to business makes up 15% of this, the direct cost to business is £ 210 m per year.
- 7.1.2 When Option 1 is taken to be the baseline for comparison, not incurring these losses are the potential direct benefits to business.
- 7.1.3 Since the proposal to amend the ANO is the result of implementing the European regulation, it is outside the scope of the One In, One Out rule.

7.2 Option 1 Costs and Benefits

- 7.2.1 Option 1 is taken to be the baseline for comparison, so by definition there are no direct costs or benefits to business.

7.3 Option 2 Costs and Benefits

- 7.3.1 Relative to Option 1, there are no direct costs to business of Option 2.
- 7.3.2 Relative to Option 1, the direct benefits to business of Option 2 are the profits which are not lost to commercial aviation and general aviation. From paragraph 7.1.1 these are £ 260 m and £ 210 m per year respectively. From paragraph 5.6.5, the impact of Option 1 on commercial operators is taken to be 80% in year 1, 85% in year 2, and 96% in years 3-10. From paragraph 5.6.7, the impact of Option 1 on general aviation is taken to be 35% per year.

7.3.3 Hence the total benefit per year is as follows:

Table 13 - Estimates of the total direct benefit to business of Option 2 over 10 years

| Year | Estimated benefit per year (£ million) | | |
|-------------------------------|--|--------------|----------------|
| | Commercial | General | Total |
| 1 | 208.0 | 73.5 | 281.5 |
| 2 | 221.0 | 73.5 | 294.5 |
| 3 - 10 | 249.6 | 73.5 | 323.1 |
| Total for years 1-10 | 2,425.8 | 735.0 | 3,160.8 |
| Average for years 1-10 | 242.6 | 73.5 | 316.1 |

7.4 Option 3 Costs and Benefits

7.4.1 As mentioned in paragraph 5.8.1, there is no significant difference between Option 2 and Option 3 with regard to the impact of the change.

7.4.2 Therefore, the direct costs and benefits to business of Option 3 are the same as those for Option 2.

8 Wider Impacts

8.1 Statutory Equality Duties

8.1.1 Race

8.1.1.1 The proposals relate to all operators, therefore we do not anticipate that these amendments will lead to:

- different consequences according to people's racial group;
- people being affected differently according to their racial group in terms of access to a service, or the ability to take advantage of proposed opportunities;
- discrimination unlawfully, directly or indirectly, against people from some racial groups;
- different expectations of the policy from some racial groups;
- harmed relations between certain racial groups, for example because they will be seen as favouring a particular group or denying opportunities to another; or
- damaged relations between any particular racial group (or groups) and the DfT.

8.1.2 Disability

8.1.2.1 The Disability Discrimination Act (DDA) 1995 now gives rights to disabled people in the area of access to goods, facilities and services. The proposals apply equally to all operators, so we do not anticipate any disadvantages or discrimination for disabled people, in line with this Act.

8.1.3 Gender

8.1.3.1 The proposals will apply to all operators. Therefore we do not anticipate that these amendments will lead to:

- different consequences according to people's gender;
- people being affected differently according to their gender in terms of access to service, or the ability to take advantage of proposed opportunities;

- discrimination unlawfully, directly or indirectly, against genders; or
- different expectations of the policy from different genders.

8.2 Economic Impacts

8.2.1 Competition

8.2.1.1 If the ANO is not amended to nominate the UK CAA as the competent authority for the purposes of the EASA air operations regulations, then no new companies would be able to obtain AOCs in the UK, which would limit competition in commercial air operations. Furthermore, UK aircraft operators would not have available to them the approvals, permissions and exemptions that they currently enjoy, which would put them at a commercial disadvantage to their foreign competitors.

8.2.1.2 If the ANO is amended to nominate the UK CAA as the competent authority for the purposes of the EASA air operations regulations, then air operations would continue under similar requirements as is currently the case, so there would not be an impact on competition.

8.2.2 Small Firms

8.2.2.1 The EASA Regulations will come into force on 8 April 2012, regardless of what action is taken by the UK government. The purpose of the proposed change to the ANO is to minimise the disruption caused by the EASA Regulations superseding certain UK regulations.

8.2.2.2 Any disproportionate impact on small firms due to the EASA Regulations cannot be mitigated by these policy options and so is outside the scope of this consultation.

8.3 Environmental Impacts

8.3.1 Greenhouse Gas Assessment

8.3.1.1 The aviation industry already has targets and policies in place to ensure it plays its part in helping to reduce greenhouse gas emissions and thus achieve the UK's climate change targets. These proposals do not affect such policies and targets, and more generally are not expected to affect the amount of greenhouse-gas-producing activity in the industry. We therefore do not anticipate any direct impact of these proposals on greenhouse gas emissions.

8.3.2 Wider Environmental Issues

8.3.2.1 There are two wider environmental issues relevant to the aviation sector as a whole: noise pollution and air quality. None of the proposals directly influence the overall level of activity in the industry, however, and so we do not anticipate any direct impact in these areas.

8.4 Social Impacts

8.4.1 Health and Well-being

8.4.1.1 None of the proposals are expected to have a direct impact on health. There is no potential for any of the proposals directly to affect wider determinants of health such as income or the environment, nor is there any potential for the proposals to affect relevant lifestyle-related factors such as physical activity or diet. There is no anticipated impact on the demand for health and social care services.

8.4.2 Human Rights

8.4.2.1 It is not anticipated that the proposals will have any human rights impacts.

8.4.3 *Justice System*

8.4.3.1 It is not anticipated that the proposals will have any implications for the justice system.

8.4.4 *Rural Proofing*

8.4.4.1 We do not believe that any of the proposals will have a different impact on people in rural areas because of their particular circumstances or needs.

8.5 Sustainable Development

8.5.1 *Sustainable Development Impact Test*

8.5.1.1 Sustainable development entails the current generation satisfying its basic needs and enjoying an improving quality of life without compromising the position of future generations. The proposals do not affect the resources available to future generations, and are therefore compatible with sustainable development.

9 Summary and Preferred Option with Description of Implementation Plan

9.1 As a result of the coming into force of European legislation, three options were considered to manage the impact of the change. These options were:

- 1) Make no changes to the ANO.
- 2) Amend the ANO by 8 April 2012 when the Implementing Rules are to come into force so as to authorise the CAA as the competent authority and to introduce sanctions for specified provisions. Publish guidance explaining which provisions of the ANO are superseded and should be disregarded by operators required to comply with the Implementing Rules.
- 3) Amend the ANO as in Option 2, and also identify and disapply those provisions which have been superseded by the Implementing Rules.

9.2 Option 1 is unacceptable, since it would have very serious consequences for the UK aviation industry and for the travelling public.

9.3 The difference between Option 2 and Option 3 is whether, having identified all of the affected provisions in the ANO, we simply publish guidance or reflect those changes in the ANO itself. The latter must be done at some stage since it is unsatisfactory to permit superseded provisions to remain in UK legislation.

9.4 Hence the CAA's preferred option is Option 3.

9.5 The CAA intends to provide the Department for Transport (DfT) with a description of the required amendments to the ANO by the end of September 2011. The DfT should then be able to make the necessary changes to the ANO 2009 by 8 April 2012. Once the EASA Regulations are finalised, the CAA will publish on its website a list of any further ANO articles which are disapplied in certain situations due to the EASA Regulations taking precedence. The CAA may issue an exemption in April 2012 to exempt operators from those ANO articles which are disapplied subsequent to the amendment to the ANO.

9.6 By September 2012 the CAA intends to provide to the DfT a description of all the amendments to the ANO resulting from the EASA Regulations. This description will be informed by the experience of implementing the EASA Regulation thus far. For those regulations in the ANO that still apply to non-EASA operators (such as State aircraft), the CAA intends to align them as far as is practicable with the EASA Regulations, in order that the overall regulations are simpler.

Annexes

Annex 1 should be used to set out the Post Implementation Review Plan as detailed below. Further annexes may be added where the Specific Impact Tests yield information relevant to an overall understanding of policy options.

Annex 1: Post Implementation Review (PIR) Plan

A PIR should be undertaken, usually three to five years after implementation of the policy, but exceptionally a longer period may be more appropriate. If the policy is subject to a sunset clause, the review should be carried out sufficiently early that any renewal or amendment to legislation can be enacted before the expiry date. A PIR should examine the extent to which the implemented regulations have achieved their objectives, assess their costs and benefits and identify whether they are having any unintended consequences. Please set out the PIR Plan as detailed below. If there is no plan to do a PIR please provide reasons below.

| |
|---|
| <p>Basis of the review: [The basis of the review could be statutory (forming part of the legislation), i.e. a sunset clause or a duty to review, or there could be a political commitment to review (PIR)];</p> |
| <p>Review objective: [Is it intended as a proportionate check that regulation is operating as expected to tackle the problem of concern?; or as a wider exploration of the policy approach taken?; or as a link from policy objective to outcome?]</p> |
| <p>Review approach and rationale: [e.g. describe here the review approach (in-depth evaluation, scope review of monitoring data, scan of stakeholder views, etc.) and the rationale that made choosing such an approach]</p> |
| <p>Baseline: [The current (baseline) position against which the change introduced by the legislation can be measured]</p> |
| <p>Success criteria: [Criteria showing achievement of the policy objectives as set out in the final impact assessment; criteria for modifying or replacing the policy if it does not achieve its objectives]</p> |
| <p>Monitoring information arrangements: [Provide further details of the planned/existing arrangements in place that will allow a systematic collection of monitoring information for future policy review]</p> |
| <p>Reasons for not planning a review: [If there is no plan to do a PIR please provide reasons here]</p> <p>We do not propose to have a formal PIR as the administration of the measures by the CAA naturally involves daily contact with the regulated community on these issues. The feedback thus obtained will ensure that the CAA is fully aware of the effectiveness of the approach on an ongoing basis.</p> |