

Purpose of this note is to revisit cost-correlation backdrop of passenger boarding charges for Rome Fiumicino with specific focus on articulation in charges foreseen between passenger clusters with dom-EU destinations and with non-EU destinations (from now on for simplicity also 'dom-EU passengers' and 'non-EU passengers')<sup>1</sup> to respond to users' issues and concerns over analysis represented in doc "Assessing cost-correlation within passenger boarding charges for FCO-CIA" of December 2022 (for full report and users' comments, please see ADR's consultation pages).

UK's exit from EU triggered the potential application of 'non-EU' charges differential (from now on for simplicity also 'differential' or 'charges differential') to traffic having UK destinations, hence the need for the abovesaid cost correlation analysis.<sup>2</sup> For the 'revisited' proposal of charges update that we represent in the following pages ADR has incorporated noteworthy users' feedback into the analyses represented in past months in consultation's debate.<sup>3</sup>

Revisiting cost-correlation split (between EU and non-EU) of said service has a bearing on service charges' articulation (non-EU differential) on which ADR is proposing marginal changes relative to charges proposal dated December 2022, as detailed below.

First, we recap the steps leading to ADR's 'revisited' proposal of charges update:

- ADR's opened consultation (Dec. 2022) with a document ("Assessing cost-correlation within passenger boarding charges for FCO-CIA") drafted in compliance with ART's ruling n. 232/2022, whereby the ISA indicated as "reasonable" a methodology consisting of (a) evidence from 2019 regulatory accounts (last available set of pre-pandemic figures) in consideration of changes intervened post-2015 in infrastructure perimeter (2015 being "base year" of 2017-2021 reg period); (b) revenue target derived from ex-ante calculation of max allowable revenues for 2017-21 (as amended for intervened changes in capex programme deployment) with specific consideration for 2021.
- In the abovesaid document ADR indicated FCO cost split (EU/non-EU) on infrastructures of 48,8-51,2%, respectively, leading to a 50% charges differential, in turn descending to boarding pax charges of 15,99 €/pax for EU traffic cluster (originating, adult) and 23,96 €/pax for non-EU traffic cluster (originating, adult)<sup>4</sup>.
- As shared with users during consultation meetings, ADR's calculations meet the revenue requirement set by ART (see above and see minutes of the March 9 meeting), hence the y/y decline in avg (EU/non-EU) boarding pax charges, only incidentally resolved as (i) an unchanged EU charge and (ii) a declining non-EU charge. This was due to ADR's cost allocation analysis showing cost-correlated differential of 50%, as opposed to historically applied 61% (that is to say simply that to meet a pre-set revenue constraint, an improvement in traffic mix – more non-EU volumes with UK being added – is effectively coupled by a decline in applied charges, other things equal).

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<sup>1</sup> Said articulation has been in application at the two airports since before the entry into force of the Economic Regulation Agreement (ERA) signed between ADR and ENAC that in 2012 provided for a new, overarching, set of economic rules for transparent and non-discriminatory tariff-making compliant with Directive 12/2009/EC. Throughout the abovesaid period, 'non-EU' differential in boarding charges of +61% and +3% for FCO and CIA (from now on for simplicity also 'non-EU' differential), respectively, have consistently been an element of ADR's yearly charges' updates, absent any complaints by the two airports' users

<sup>2</sup> ART's ruling 232/2022 instructed ADR to stage a consultation update on 2022 charges determination in consideration of split of costs and passengers' volumes between the two traffic clusters (UE/non-UE) as re-balanced consequent to passengers with UK destinations being re-located to non-EU, with a revenue constraint derived from last year's (2021) figures shared with users of ADR's last regulatory period

<sup>3</sup> Consultation for charges update in 2023 was launched on Dec. 22 with publication of info material and has so far foreseen two meetings, on Jan. 31<sup>st</sup> and on March 9<sup>th</sup>, and comprehensive replies to users' questions, as documented in ADR's consultation webpages

<sup>4</sup> Please see Annex 9 updates for full articulation of charges (adult/child; origin/transfer)

- Users replied – among various points – that cost elasticity to traffic that ADR displayed in consultation material<sup>5</sup> and on which grounds ADR produced cost split (EU/non-EU) outcome<sup>6</sup> was not agreeable and had to be further clarified providing uncontroversial evidence since shift of UK traffic to non-EU cluster was not expected to trigger significant shifts in infrastructure cost split.
- On this specific issue ADR further replied that:
  - key “objects” in regulatory accounts on which the most significant portion of cost allocation is dependent are FCO infrastructures that are “tagged” as EU and non-EU (not SCH, ex-SCH) historically representing ADR’s best endeavour (openly shared with users) to apply a general principle, given sunk costs implicit in more convoluted practices of cost allocations;
  - users’ comments on infrastructures’ fixed/variable costs may trigger further analysis as ADR could verify outcome upon adoption of a slightly different approach to marginal cost allocations to changes in traffic, ie. one that leverage off analysis of indirect costs in the company’s unbundled accounts, hence considering that a transparent<sup>7</sup> portion of costs directly extracted from certified regulatory accounts can be associated to passenger flows (whilst all other costs’ allocations remain unchanged in spite of new traffic mix).
- With this note ADR introduces the results of the abovesaid slightly different approach. In a nutshell:
  - for FCO, application of abovesaid logic from regulatory accounts modifies outcome (cost split) from 48,8% EU / 51,2%<sup>8</sup> non-EU to 48,2% EU / 51,8% non-EU;
  - for FCO, this is turn triggers a decline in charges differential from 50%<sup>9</sup> to 42%;
  - lastly, for FCO this is to be reflected in marginally different equilibrium charges relative to ADR’s initial proposal of December 2022: from 15,99 €/pax (EU originating adult) and 23,96 €/pax (non-EU originating adult) to **16,32 €/pax** (EU originating adult) and **23,19 €/pax** (non-EU originating adult), as detailed in table below.

**Table 1 – Boarding Pax Charges at FCO**

Charges (€)		Charges in application	ART Del. 232/2022	1st Tariff proposal	Tariff proposal update
		2022	2023	2023	2023
<b>Adult</b>	Originating within EU	15,99	15,55	15,99	16,32
	Originating within non-EU	25,79	24,96	23,96	23,19
	Transfer within EU	5,60	5,44	5,60	5,71
	Transfer within non-EU	9,03	8,74	8,38	8,12
<b>Children</b>	Originating within EU	7,99	7,78	7,99	8,16
	Originating within non-EU	12,89	12,48	11,98	11,59
	Transfer within EU	2,80	2,72	2,80	2,86
	Transfer within non-EU	4,51	4,37	4,19	4,06
<b>non-EU differential %</b>		61%	61%	50%	42%

<sup>5</sup> table “c.1” of doc “Assessing cost-correlation within passenger boarding charges for FCO-CIA”

<sup>6</sup> in table “c” of “Assessing cost-correlation within passenger boarding charges for FCO-CIA”

<sup>7</sup> directly derived from the company’s regulatory accounts

<sup>8</sup> see table “c” of doc “Assessing cost-correlation within passenger boarding charges for FCO-CIA”

<sup>9</sup> see table “d” of same doc (“differential”)

As a result, in response to users' feedback ADR's charges proposal for boarding pax stands now at **16,32 €/pax (EU originating adult)** and **23,19 €/pax (non-EU originating adult)**<sup>10</sup>.

### FCO's boarding fee

This revisited analysis ADR shares with users on this occurrence aims at providing an update to a framework of application to calculating 'non-EU' differential for boarding pax on grounds of correlation to costs of infrastructures and services provided by the airport operator in compliance with the principles set forth in EU Directive 12/2009/EC and ART's ruling n. 232/2022.

In order to provide a comprehensive coverage of the subject, as a starting point to our analysis we share calculation of 'non-EU' differential in case of passengers with UK destinations within EU traffic cluster.

Pillars for determining structure of charges of passenger boarding service are as follows:

- a. underpinnings of costs analysis from the certified Regulatory Accounts for fiscal year 2019 (last available year before the disruptions to airport operations brought about by the insurgence of COVID-19);
- b. volumes as extracted from regulatory accounts for same year (fiscal year 2019) for relevance to abovesaid costs;
- c. mapping of terminal areas for reception and boarding of passenger clusters, motivated by evidence that relative weight of areas used by the different passenger clusters is the main driver of cost allocation;
- d. consideration of different level of use of specific airport infrastructures by passenger clusters.

As for d., with this note ADR intends to share with users how it took on board some noteworthy users' comments on cost sensitivity to changes in traffic pattern emerged in consultation debate and – as anticipated in the March 9 meeting – re-performed this section of cost analysis modifying the perimeter of costs "tagged" as variable to shifts in traffic (ie. passengers with UK destinations being tagged "non-EU").

Under the slightly modified approach, variable costs are defined from the company's unbundled accounts ("indirect costs" under headings "3." and "4." in table 2 below). In fact, ADR's regulatory model provides for a sequence of allocation of allowable costs to services in compliance with indications of CIPE Resolution 38/2007 and ENAC Guidelines (December 2008) that makes these costs clearly identifiable. Sequence involves:

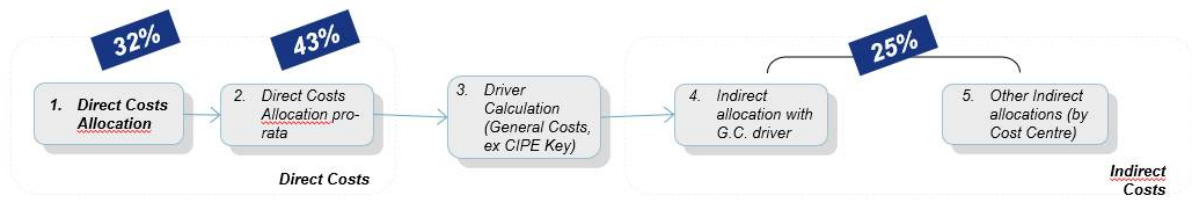
- First, direct costs, both external (services, consultancy, etc.) and internal (personnel) are identified and allocated to infrastructure/service;
- Second in line, we perform allocation of those costs that can be associated with services (eg. terminal cleaning) through a "simple" driver (by far the most significant of which provides for cost allocations proportional to square metres pertaining to each infrastructure/service as represented in the company's planimetry);
- Thirdly, pro-rata direct and direct costs contribute to the definition of the "General Costs" driver – formerly "CIPE key" – (direct and pro-rata direct costs as a ratio to total costs) on which the allocation of indirect costs to services depends;
- Fourthly and finally, "other indirect allocations" are handled.

In table "a" below please find the summarised sequence and ADR's overall outcomes of the above sequence for 2022. Costs in last two steps of sequence (ie. "indirect costs") can be associated to passenger volumes while direct costs and costs in second sequence are fully (direct) or mostly centered around infrastructures.

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<sup>10</sup> For full boarding pax charges articulation, please see table 1 and update to Annex 9 in our consultation webpages

**Table 2 – Sequence of cost allocation in ADR’s regulatory accounts**



In the following pages we endeavour to represent in steps what has changed relative to ADR’s charges proposal of Dec. 2022 (doc “Assessing cost-correlation within passenger boarding charges for FCO-CIA”). We shall go through:

**Step 1** – starting point in cost allocation to infrastructures and cost split of the same between traffic clusters (EU/non-EU), as seen in December 2022 charges proposal documentation;

**Step 2** – cost analysis from evidence in our regulatory accounts for infrastructures of common use to “extract” costs that can be fairly and transparently associated to passenger volumes (hence sensitive to passengers moving from one traffic cluster to another);

**Step 3** – considerations of costs under “1” and “2” above are meshed to generate new cost outputs to infrastructures and consequent EU/non-EU cost split;

**Step 4** – revised cost split generates revised calculation of non-EU charges differential;

**Step 5** – upon meeting revenue constraint, revised calculation of non-EU charges differential solves the equation that portends revised charges proposal for EU and non-EU boarding pax.

Let’s see now how this unfolds.

**Step 1** – Before we address intervened changes in our cost analysis, let’s recall our starting point in cost allocation between infrastructures and split of same costs between traffic clusters, as already published<sup>11</sup>.

**Table 3 – Cost split in analysis shared with users in December 2022 (UK in EU) <sup>12</sup>**

Infrastructures (/000)	(C=A+B)	(A)	(B)	(A/C)	(B/C)
	Total costs	EU abs	non-EU abs	EU %	non-EU %
Terminal 1	41.860	34.449	7.411	82,3%	17,7%
Terminal 3	70.885	31.597	39.288	44,6%	55,4%
BHS T1	23.482	19.616	3.866	83,5%	16,5%
BHS T3	43.761	19.141	24.621	43,7%	56,3%
<b>Total Terminal and BHS</b>	<b>179.989</b>	<b>104.802</b>	<b>75.186</b>	<b>58,2%</b>	<b>41,8%</b>
Boarding area B	18.186	18.186	0	100,0%	0,0%
Boarding area C	14.623	14.623	0	100,0%	0,0%
Boarding area D	21.372	21.372	0	100,0%	0,0%
Boarding areas E and pier	92.227	0	92.227	0,0%	100,0%
T1 Baggage drop off	6.469	6.469	0	100,0%	0,0%
T3 Baggage drop off	6.689	0	6.689	0,0%	100,0%
Baggage in transit	453	271	182	59,8%	40,2%
T1 Passengers acceptance system	650	535	115	82,3%	17,7%
T3 Passengers acceptance system	1.204	537	667	44,6%	55,4%
T1 Public announcement	241	199	43	82,3%	17,7%
T3 Public announcement	111	50	62	44,6%	55,4%
T1 Public information	265	218	47	82,3%	17,7%
T3 Public information	371	166	206	44,6%	55,4%
<b>Total other infrastructures</b>	<b>162.862</b>	<b>62.624</b>	<b>100.238</b>	<b>38,5%</b>	<b>61,5%</b>
<b>Total</b>	<b>342.851</b>	<b>167.427</b>	<b>175.424</b>	<b>48,8%</b>	<b>51,2%</b>
<b>Recap</b>					
Terminal (shared costs)	112.745	66.046	46.699	58,6%	41,4%
BHS (shared costs)	67.244	38.757	28.487	57,6%	42,4%
Boarding area (exclusive costs)	146.408	54.181	92.227	37,0%	63,0%
Baggage (exclusive costs)	13.611	6.740	6.871	49,5%	50,5%
Others (shared costs)	2.843	1.704	1.140	59,9%	40,1%
<b>Total</b>	<b>342.851</b>	<b>167.427</b>	<b>175.424</b>	<b>48,8%</b>	<b>51,2%</b>

**Step 2** – As a preliminary step to re-visiting our cost split analysis and consequences in marginal changes to price differential, we have to refresh our general approach’s assumptions:

- a. infrastructures represented by passengers’ boarding areas and baggage reclaiming areas are for exclusive use of the relevant traffic clusters (EU / non-EU) with obvious consequences on cost allocation (entirely allocated to the relative customer cluster);

<sup>11</sup> Please see table “a” of “Assessing cost-correlation within passenger boarding charges for FCO-CIA”

<sup>12</sup> “Assessing cost-correlation within passenger boarding charges for FCO-CIA”

- b. areas termed "Terminal" – broadly speaking represented by passenger acceptance and surrounding areas – and centralised infrastructures such as passenger acceptance system, BHS systems, public information and announcements require addressing cost split on the basis of relative use by traffic cluster.

Consequent to the above, we have performed a cost analysis from evidence in our regulatory accounts on key items under "b."<sup>13</sup> and present evidence in table 4 below.

**Table 4 – Revisited analysis of variable costs**

	(C)	(D)	(E=D/C)	(F)	(G=D/F)	(H)	(I=G*H)
Infrastructures	Total cost	Indirect costs abs	Indirect costs %	Pax	Indirect costs ppax (€)	Pax UK	Transfer of indirect costs from EU to non-EU segment (K€)
Terminal 1-originating	41.860	7.998	19%	7.399	1,08	192	<b>208</b>
Terminal 3-originating	70.885	12.445	18%	9.025	1,38	836	<b>1.153</b>
BHS T1-originating	23.482	5.182	22%	7.399	0,70	192	<b>135</b>
BHS T3-originating	43.761	8.208	19%	9.025	0,91	836	<b>760</b>
Infrastructures-transfer		1.911		4.243	0,45	73	<b>33</b>
<b>Total Terminal and BHS</b>	<b>179.989</b>						<b>2.288</b>

**Step 3** – As a subsequent step, we mesh the two previous considerations: analysis in table 4 above accounts for changes in cost split on T1, T3 and related BHSs relative to evidence in table 3 of previous page.

In December 2022 charges proposal, EU/non-EU cost splits on these infrastructures were assumed sensitive to shifts in passenger flows<sup>14</sup>. Under the revised approach, we modified cost splits in table 3 (UK in EU) exclusively for the components of costs highlighted in table 4 above.

In the table 5 below, items under "(I)" in table 4 above feed into new columns (J) and (K) [(J = A-I); (K = B+I)] to generate a revisited output according to newly defined variable costs. That is to say that cost splits at terminals and BHSs are unchanged relative to our starting point of table 3 in previous page (case of UK in EU), save for the above illustrated cost component that we transparently associate to passenger volumes (table 4).

Please bear in mind that non-EU costs being **54,7%**<sup>15</sup> of total service costs was the linchpin of ADR's charges proposal of Dec. 2022 as it generated a 50% EU/non-EU boarding pax charges differential. In the revisited analysis shown here non-EU share of costs declines to **51,8%** of total service costs triggering a change in boarding pax charges differential (please see step 4 and 5 below).

<sup>13</sup> to add a further measure of caution to our analysis, we left cost splits unchanged relative to case "UK in UE" (see table 3) for passenger acceptance system, public information and announcements

<sup>14</sup> as per table "c1" of document "Assessing cost-correlation within passenger boarding charges for FCO-CIA"

<sup>15</sup> See table "c" of "Assessing cost-correlation within passenger boarding charges for FCO-CIA"

**Table 5 – Revisited cost split in response to users’ feedback (UK in ex-EU)**

Infrastructures (/000)	(L=J+K)	(J=A-I)	(K=B+I)	(J/L)	(K/L)
	Total costs	EU abs	non-EU abs	EU %	non-EU %
Terminal 1	41.860	34.241	7.619	81,8%	18,2%
Terminal 3	70.885	30.412	40.473	42,9%	57,1%
BHS T1	23.482	19.481	4.001	83,0%	17,0%
BHS T3	43.761	18.381	25.381	42,0%	58,0%
<b>Total Terminal and BHS</b>	<b>179.989</b>	<b>102.514</b>	<b>77.475</b>	<b>57,0%</b>	<b>43,0%</b>
Boarding area B	18.186	18.186	0	100,0%	0,0%
Boarding area C	14.623	14.623	0	100,0%	0,0%
Boarding area D	21.372	21.372	0	100,0%	0,0%
Boarding areas E and pier	92.227	0	92.227	0,0%	100,0%
T1 Baggage drop off	6.469	6.469	0	100,0%	0,0%
T3 Baggage drop off	6.689	0	6.689	0,0%	100,0%
Baggage in transit	453	271	182	59,8%	40,2%
T1 Passengers acceptance system	650	535	115	82,3%	17,7%
T3 Passengers acceptance system	1.204	537	667	44,6%	55,4%
T1 Public announcement	241	199	43	82,3%	17,7%
T3 Public announcement	111	50	62	44,6%	55,4%
T1 Public information	265	218	47	82,3%	17,7%
T3 Public information	371	166	206	44,6%	55,4%
<b>Total other infrastructures</b>	<b>162.862</b>	<b>62.624</b>	<b>100.238</b>	<b>38,5%</b>	<b>61,5%</b>
<b>Total</b>	<b>342.851</b>	<b>165.139</b>	<b>177.712</b>	<b>48,2%</b>	<b>51,8%</b>
<b>Recap</b>					
Terminal (shared costs)	112.745	64.652	48.093	57,3%	42,7%
BHS (shared costs)	67.244	37.862	29.382	56,3%	43,7%
Boarding area (exclusive costs)	146.408	54.181	92.227	37,0%	63,0%
Baggage (exclusive costs)	13.611	6.740	6.871	49,5%	50,5%
Others (shared costs)	2.843	1.704	1.140	59,9%	40,1%
<b>Total</b>	<b>342.851</b>	<b>165.139</b>	<b>177.712</b>	<b>48,2%</b>	<b>51,8%</b>

**Step 4** – Revised cost split as seen above of 51,8% (as opposed to 54,7% in ADR’s original charges proposal) generates our revised calculation of non-EU differential (UK traffic in “non-EU”) at “equilibrium” value of 42% (was 50% in December 2022 charges proposal). Pertinent calculation is portrayed in table 6.

**Table 6 – Revisited boarding pax charge differential (UK in ex-EU)**

Co.Re 2019 - FCO	Paying pax (abs)	Paying pax (%)	Tariff (*)	Tariff*paying pax %	Revenue contribution (***) of the traffic cluster (***) %
	a	b	c	d= (b * c)	e= (sub. d / total d)
Transfer within EU adults	2.383	11,6%	0,35	0,04	4,8%
Transfer within non-EU adults	1.715	8,4%	0,35	0,03	3,4%
Transfer within EU children	80	0,4%	0,18	0,00	0,1%
Transfer within non-EU children	65	0,3%	0,18	0,00	0,1%
Originating within EU adults	10.056	49,1%	1,00	0,49	57,7%
Originating within non-EU adults	5.622	27,4%	1,00	0,27	32,3%
Originating within EU children	327	1,6%	0,50	0,01	0,9%
Originating within non-EU children	248	1,2%	0,50	0,01	0,7%
<b>Total EU</b>	<b>12.846</b>	<b>62,7%</b>			<b>63,5%</b>
<b>Total non-EU</b>	<b>7.650</b>	<b>37,3%</b>			<b>36,5%</b>
<b>Total</b>	<b>20.496</b>	<b>100,0%</b>		<b>0,85</b>	<b>100,0%</b>
Revenue contribution of the cluster non-EU % (e)					36,5%
Costs allocated to cluster non-EU % (f)					51,8%
<b>non-EU differential % (g=f/e-1)</b>					<b>42,1%</b>

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

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

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

**Step 5** – As a last step, as shown in table 7 (upper-right box), 42% feed into charges update calculation, hence changing charges, while maintaining condition of matching revenue constraint as per instructions of ART in ruling 232/2022 (ie. 334,5 € mln).<sup>16</sup>

- **December 2022** – was 15,99 €/pax (EU originating adult) and 23,96 €/pax (non-EU originating adult) in ADR's charges proposal of December 2022;
- **March 2023** – is **16,32 €/pax (EU originating adult)** and **23,19 €/pax (non-EU originating adult)** in ADR's revisited charges proposal of March 2023

As a comprehensive recap, same table 7 (bottom section) compares above described outputs with those under a 61% cost split condition:

- on left side of table "as is" condition (UK in EU)
- on right side of table evidence from ART's ruling 232/2022.

Consequently, ADR's charges proposal for boarding pax stands now at **16,32 €/pax (EU originating adult)** and **23,19 €/pax (non-EU originating adult)**.<sup>17</sup>

<sup>16</sup> Applicable in all cases as equation constraint is revenue target derived from ex-ante calculation of max allowable revenues for 2017-21 reg period (as amended for intervened changes in capex programme deployment) with specific analysis of 2021

<sup>17</sup> For full boarding pax charges articulation, please see table 7 and update to Annex 9 in our consultation webpages



**Table 7 – Revisited boarding pax charges and comparison (UK in ex-EU)**

<b>Max allowed rev</b>		334.587			334.587		
<b>Differential ex-EU vs non-EU</b>		50%			42%		
Differential transfer vs adult		50%			50%		
Differential transfer vs originating		35%			35%		
Boarding pax - Articulation		1st Tariff proposal			Tariff proposal update		
		UK in non-EU Vol	UK in non-EU Equil charges (€)	UK in non-EU Allowed rev	UK in non-EU Vol	UK in non-EU Equil charges (€)	UK in non-EU Allowed rev
<b>Origin.+ transfer</b>	<b>Total</b>	<b>22.176</b>		<b>334.587</b>	<b>22.176</b>		<b>334.587</b>
<b>Origin.</b>	<b>Total</b>	<b>16.580</b>		<b>298.661</b>	<b>16.580</b>		<b>298.748</b>
	EU adult	11.203	15,99	179.117	11.203	16,32	182.857
	EU children	423	7,99	3.381	423	8,16	3.451
	non-EU adult	4.744	23,96	113.642	4.744	23,19	110.000
	non-EU children	210	11,98	2.521	210	11,59	2.440
<b>Transfer</b>	<b>Total</b>	<b>5.596</b>		<b>35.927</b>	<b>5.596</b>		<b>35.839</b>
	EU adult	3.518	5,60	19.685	3.518	5,71	20.096
	EU children	147	2,80	410	147	2,86	419
	non-EU adult	1.845	8,38	15.467	1.845	8,12	14.971
	non-EU children	87	4,19	365	87	4,06	353

<b>Max allowed rev</b>		334.587			334.587		
<b>Differential ex-EU vs non-EU</b>		61%			61%		
Differential transfer vs adult		50%			50%		
Differential transfer vs originating		35%			35%		
Boarding pax - Articulation		Charges in application			ART Del. 232/2022		
		UK in EU Vol	UK in EU Equil charges (€)	UK in EU Allowed rev	UK in non-EU Vol	UK in non-EU Equil charges (€)	UK in non-EU Allowed rev
<b>Origin.+ transfer</b>	<b>Total</b>	<b>22.176</b>		<b>334.587</b>	<b>22.176</b>		<b>334.587</b>
<b>Origin.</b>	<b>Total</b>	<b>16.580</b>		<b>297.690</b>	<b>16.580</b>		<b>298.546</b>
	EU adult	12.191	15,99	194.921	11.203	15,55	174.221
	EU children	464	7,99	3.706	423	7,78	3.288
	non-EU adult	3.756	25,79	96.874	4.744	24,96	118.410
	non-EU children	170	12,89	2.190	210	12,48	2.626
<b>Transfer</b>	<b>Total</b>	<b>5.596</b>		<b>36.898</b>	<b>5.596</b>		<b>36.042</b>
	EU adult	3.587	5,60	20.071	3.518	5,44	19.147
	EU children	151	2,80	422	147	2,72	399
	non-EU adult	1.776	9,03	16.031	1.845	8,74	16.116
	non-EU children	83	4,51	374	87	4,37	380

## CIA's boarding fee

Cost analysis and charges differential for CIA remain unchanged as in ADR's charges proposal of December 2022 (see correlated document "Assessing cost-correlation within passenger boarding charges for FCO-CIA"). This is due to the different terminal structure where all infrastructures are shared by the traffic clusters, making inappropriate the revisited approach presented in this document.

### 1-CIA – Cost-correlated 'non-EU' differential (UK traffic in EU)

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

(\*) Includes effect on children passengers

### 2-CIA – Cost-correlated 'non-EU' differential (UK traffic in non-EU)

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

(\*) Includes effect on children passengers

### 3-CIA) – Impacts on applicable charges

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

### 4-CIA) Cost allocations

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