

SUMMARY INFORMATION SHEET ON AID MEASURES IN FORCE ON 1ST MAY 2004
(EXISTING AID)

1. GENERAL ASPECTS

Country:

POLAND

Title of the aid measure (English):

Financing of Public Service Obligation imposed on public airports operators.

Title of the aid measure (Original language):

Dofinansowanie obowiązku użyteczności publicznej wykonywanej przez zarządzających lotniskami.

Legal basis (precise reference):

Act of 3 July 2002 - Aviation Law (Journal of Laws No 130, item 1112 as amended): Art. 26 clause 2 point 4 and Art. 183.

Ministry or other administrative body responsible for the measure and its implementation:

- 1) Civil Aviation Office,
- 2) Regional or Local Authority.

Person(s) to contact:

Ms Iwona Kudła

Tel +48 22 55 60 307

e-mail: ikudla@uokik.gov.pl

Level at which the measure is administered (central government, regional, other)?

Central and regional government.

When did the measure enter into effect?

17 August 2002 (the day of entering into force of Aviation Law).

What is the duration of the measure (expiry date)?

Unlimited.

2. DESCRIPTION OF THE MEASURE

Which transport sector is eligible (rail, aviation, maritime, etc.)?

Aviation sector.

What are the main aim(s) and objectives of the aid?

The main objective is to continue the operation of public airports, which are essential for the economy of the region / city, in circumstances of difficult financial situation. The aid applies to those public

airports, whose costs are not covered by revenue due to unsuitable levels of aircraft movements. The airports concerned are parts of the air transport network in Poland and allow more dynamic economic growth in regions. The main objective is to compensate for airports' extra costs as a result of the imposition of public service obligation, which is essential in terms of regional or national development, social interest, etc.

Form of the measure (scheme, ad hoc, individual):

Aid scheme.

What are the instruments (or forms) of aid, ex.:

Direct grant.

For each instrument of aid please give a short description of the conditions applying to the instrument.

The aid applies only to projects connected with imposing the Public Service Obligation on airport operators. The obligation is imposed by the President of the Civil Aviation Office after initial application from the local governmental authority, which decides that the airport concerned is vital to the region / city, its economy and community. The imposition of the Public Service Obligation is preceded by arranging the co-financing of this obligation between the President of the Civil Aviation Office and regional or local authority. The Public Service Obligation is understood as the obligation to ensure the functioning of the airports fulfilling simultaneously specific requirements which would not be fulfilled if an airport operator will act as strictly commercial enterprise.

In the application, local governmental authority states to what extent it plans to grant assistance to the airport concerned (including financial assistance). The President of the Civil Aviation Office can (but is not obliged to) conclude the agreement with the airport operators relating to the Public Service Obligation and decide on the compensation. The detailed procedure of the process is described in the Art. 183 of the Aviation Law (please find it enclosed).

Budget: give the overall budget made available for the measure (in local currency and Euros)

1) Central Government:

2003: 3 837 000 PLN (app. 808 000 EUR),

2004: 2 083 000 PLN (app. 439 000 EUR),

2005 – and others - to be set annually;

2) Regional or Local Authorities:

Co-financing by the Authorities cannot be lower than the financing from the Civil Aviation Office.

Is the budget adopted annually? If yes, what is the average annual budget?

1) The budget for the aid is adopted annually. Based on the historical data the average annual budget is PLN 2 960 000 (app. EUR 623 000);

2) Co-financing by the Regional or Local Authorities cannot be lower than the financing from the Civil Aviation Office.

Specify the eligible beneficiaries (i.a. their character and estimated number).

Public airports operators (the estimated number of potential beneficiaries - 12), if they operate of the airports of relatively small traffic but essential for the region or city.

Is the aid available on non-discriminatory basis, open to all potential beneficiaries, irrespective of nationality?

The aid is available on non-discriminatory basis to all potential beneficiaries.

What are the eligible costs?

The eligible costs are expenditures connected with performing public service obligation, taking into consideration the requirements of the imposed public service obligation.

What is the maximum aid intensity?

According to the measure the maximum aid intensity cannot exceed the full eligible costs.

Specify the criteria according to which the amount of aid and/or the aid intensity has been calculated.

The amount of aid and the aid intensity have been calculated on the basis on Aviation Law (Art. 26 clause 2 point 4, Art.183). The amounts of aid depend on annual decisions of the President of Civil Aviation Office based on the financial plan referred to in Art. 26 clause 3 of Aviation Law and on the amount applied for by beneficiaries.

Does the measure provide “operating aid”? If “Yes”, please provide details.

No.

If the measure relates to services of general economic interest or public service obligations, please specify by what means this task has been entrusted to the undertaking and how compensation is calculated.

Public Service Obligation is entrusted and the compensation of costs connected with Public Service Obligation is calculated individually for different projects, based on special procedure set up in Art. 183 of the Aviation Law.

May the aid in question be cumulated with any other aid measures in operation and if so, does the measure contain provisions limiting the cumulation of aid?

Yes, the measure can be cumulated with other aid measures. The measure does not contain provisions limiting the cumulation of aid.

Does the aid measure fall within existing exemption regulations or guidelines? If so, please specify.

Rules on the assessment of services of general economic interest.