Highlights 2019

1 304 910
IFR flights

0.5 %
IFR traffic growth

505 370
IFR landings/departures

96.7 %
Flights without delay

+1.7 %
IFR transit flights

12 Sec
En-route ATFM delay per flight

94 519
Military flights

1367.8
Personnel (in FTEs)
Dear reader,

Skyguide performed well in a challenging environment in 2019, and achieved its strategic objectives. While the year brought a modest further increase in air traffic volumes, safety and punctuality levels remained consistently high. And the company fully performed its services for the Swiss Air Force, to ensure that the latter fulfilled its mandate to maintain Swiss airspace sovereignty.

Despite lowering its costs, skyguide reported a negative net result for the year. The main reasons for this were the present European regulations which oblige the company to return over half its revenue surplus to customers, and the non-remuneration of services that it provides in adjacent foreign airspace assigned to its control.

Growing digitalisation is changing the demands on air navigation services. But it offers new opportunities, too. Skyguide aims to help shape these developments, and has devised its “Vision 2035” to outline its own future path. The focus here in 2019 was on further pursuing the key Virtual Centre project,
where skyguide is leading the international field. The virtual merging of air traffic management centres will enable the company to operate independently of any fixed location, which will deliver major benefits, especially in flexibility and service continuity terms.

The present transformation demands a cultural change, too, requiring old mindsets and familiar approaches to be discarded. We are pleased and proud that our people are en route with us to the future and are involving themselves so actively in the change process. And for this and all their daily work and commitment we offer them our warmest thanks.

Walter T. Vogel
Chairman of the Board

Alex Bristol
CEO skyguide
The Executive Team

Alex Bristol  
(CEO)

Hans Bracher  
(Human Resources)

Urs Lauener  
(Operations)

Klaus Affholderbach  
(Safety, Security, Quality)

Peter Dietrich  
(General Counsel)

Nicole Leyre  
(Finance & Services)

Götz Ardey  
(Business Development)

Myriam Käser  
(Communications, Environment and International Relations)

Klaus Meier  
(Engineering & Technology)
Skyguide puts safety centrestage in all its actions and activities. Safety was maintained at a consistently high level in 2019.

Any violation of the minimum separations required between two aircraft is automatically recorded. Skyguide registered 99 such violations among the 1.3 million instrument flight rules flights which it handled in 2019. The number of such violations was thus again substantially below the average of the past five years, despite the higher air traffic volumes handled.

A safety culture has evolved in the aviation sector that is rooted in reciprocal confidence and trust and promotes the open reporting of all safety-relevant events. This “Just Culture” is the only way to ensure that safety is continually further improved. But the current court proceedings against skyguide employees put this principle under threat. Three air traffic controllers were confronted with legal action in 2019. All three had been involved in incidents in which no persons were injured and no property damage occurred.
Skyguide invested extensively in its safety culture in 2019. The management increased its presence on the operating front, and conducted numerous discussions with employees of all occupations. To further strengthen its safety culture, skyguide also regularly awards a Safety Prize, which was bestowed (among other things) in 2019 for particularly good and comprehensive error and incident reports. The company further introduced compulsory training in the principles of a High-Reliability Organisation for all new employees.
A favourable performance thanks to cost efficiencies

Air traffic volumes increased slightly in 2019. Despite reducing costs, skyguide reported a net loss for the year of CHF 5.5 million.

Despite a slight increase in the traffic volumes it handled, skyguide’s revenues for 2019 were CHF 13.7 million down on their prior-year level, owing in particular to reductions to air navigation services charges. With operating expense lowered by CHF 15.3 million, the company reported an operating profit for the year of CHF 33.7 million (2018: CHF 32.1 million).

Under present European provisions, skyguide must return part of its revenues to its customers. This requirement, combined with a negative financial result and the fact that it receives no remuneration for the services it provides in the adjacent foreign airspace areas which have been delegated to its control, prompted the company to sustain a net loss of CHF 5.5 million for the year.

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total IFR flights</td>
<td>1 304 910</td>
<td>1 298 754</td>
<td>+ 0.5%</td>
</tr>
<tr>
<td>Of which transit</td>
<td>822 313</td>
<td>808 445</td>
<td>+ 1.7%</td>
</tr>
</tbody>
</table>
### IFR overflights

<table>
<thead>
<tr>
<th>Location</th>
<th>2019</th>
<th>2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geneva</td>
<td>716,586</td>
<td>713,235</td>
<td>+0.5%</td>
</tr>
<tr>
<td>Buochs</td>
<td>845,550</td>
<td>850,310</td>
<td>-0.6%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,562,136</td>
<td>1,563,545</td>
<td>-0.1%</td>
</tr>
</tbody>
</table>

### IFR landings/takeoffs

<table>
<thead>
<tr>
<th>Location</th>
<th>2019</th>
<th>2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bern Belp</td>
<td>9,831</td>
<td>13,716</td>
<td>-28.3%</td>
</tr>
<tr>
<td>Buochs</td>
<td>2,473</td>
<td>2,433</td>
<td>+1.6%</td>
</tr>
<tr>
<td>Donaueschingen</td>
<td>1,609</td>
<td>1,745</td>
<td>-7.8%</td>
</tr>
<tr>
<td>Friedrichshafen</td>
<td>14,414</td>
<td>14,702</td>
<td>-2.0%</td>
</tr>
<tr>
<td>Geneva</td>
<td>179,107</td>
<td>180,191</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Grenchen</td>
<td>4,130</td>
<td>4,372</td>
<td>-5.5%</td>
</tr>
<tr>
<td>Les Eplatures</td>
<td>2,071</td>
<td>2,407</td>
<td>-14.0%</td>
</tr>
<tr>
<td>Lugano Agno</td>
<td>7,092</td>
<td>7,849</td>
<td>-9.6%</td>
</tr>
<tr>
<td>Sion</td>
<td>6,228</td>
<td>6,385</td>
<td>-2.5%</td>
</tr>
<tr>
<td>St. Gallen-Altenrhein</td>
<td>9,236</td>
<td>10,000</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Zurich</td>
<td>269,179</td>
<td>271,508</td>
<td>-0.9%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>505,370</td>
<td>515,308</td>
<td>-1.9%</td>
</tr>
</tbody>
</table>
The operators of Switzerland’s regional airports have been responsible for collecting their own air traffic services charges since 2017, with skyguide invoicing them in turn for its services. For 2019 these costs were covered by the Federal Office of Civil Aviation, to ensure that air traffic services were provided at these airports. A long-term solution for financing such services is still being sought.

Skyguide expects to see moderate traffic growth of around 1% for 2020. The strength of the Swiss franc remains a burden for the company’s airspace users, and weakens its competitive credentials on the European air navigation services market.

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue</td>
<td>468.1</td>
<td>481.8</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>299.6</td>
<td>311.2</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>134.8</td>
<td>138.4</td>
</tr>
<tr>
<td><strong>OPERATING RESULT</strong></td>
<td><strong>33.7</strong></td>
<td><strong>32.1</strong></td>
</tr>
<tr>
<td>(Under-) / over-recovery balance brought forward</td>
<td>−2.0</td>
<td>−9.1</td>
</tr>
<tr>
<td>Under- / (over-) recovery balance carried forward</td>
<td>−31.4</td>
<td>−25.5</td>
</tr>
<tr>
<td><strong>NET RESULT</strong></td>
<td><strong>−5.5</strong></td>
<td><strong>−8.2</strong></td>
</tr>
</tbody>
</table>
Digitalisation continues apace in the aviation world, too. The Virtual Centre, the centrepiece of skyguide’s innovation strategy, is leading the way.

Air traffic management must continue to evolve, away from fragmented airspace and systems and towards location-independent operations. This is eminently feasible in technological terms, as skyguide is demonstrating with its Virtual Centre, a virtual merging of air traffic management units which can operate from any of a number of locations. By 2024 at the latest, skyguide aims to manage all of Swiss airspace as a unified airspace entity, permitting more flexible and more efficient air traffic management operations.

Latest-generation systems
Skyguide is making sizeable infrastructural investments elsewhere, too. Radar facilities that are reaching the end of their service life are being replaced with multilateration technology, which determines an aircraft’s position with even greater precision. And with its Smart Radio project, the company is replacing its main radio system between its air traffic controllers and pilots with a new facility that will substantially reduce both energy consumption and maintenance costs.
Slower growth

Air traffic volumes increased only slightly in 2019. Switzerland’s airports saw 1.9% fewer landings and takeoffs. The volumes of delays attributable to air traffic control remained low.

Despite the high volumes of flights that it handled, skyguide slightly improved its punctuality in 2019, with 96.7% (prior year: 96.5%) of all flights handled without delays. Skyguide thus met the requirements of the European Performance Plan. Average en-route delays per flight decreased from the 17.1 seconds of 2018 to 12.0 seconds. These delays were attributable primarily to adverse weather conditions (43%), capacity shortages (42%) and staff absences through sickness (12%).

Delays to en-route air traffic witnessed an 8% decrease Europewide. The main reasons for the improvement included better weather conditions than in 2018 and the actions taken to improve punctuality. Most of the delays at airports were due to unfavourable weather conditions and insufficient landing capacities, both of which are beyond the control of air navigation services providers.
96.7% of flights on time

- 96.7% on time flights
- 2.1% with less than 15 min. delay
- 1.2% with more than 15 min. delay

Average ATFM delay per flight – airport / en-route (skyguide airspace)

Delay (in minutes)

Source: OPAL data warehouse - CFMU data
Promoting diversity

Skyguide is an attractive employer. This is confirmed in the annual surveys by employer branding specialist Universum. Once again in 2019, skyguide maintained or even improved its high ratings here in various categories.

The company also puts a particular emphasis on equal opportunities, offering flexible working models such as part-time or teleworking that make it easier to reconcile work and family life.

The company promotes dialogue with all its social partners to sustainably maintain its good working terms and conditions. A sixth staff association joined skyguide’s social partners in 2019. The year also saw the existing collective labour agreement for the company’s administrative, operational and technical (AOT) personnel extended to the end of 2021.
Skyguide was involved in several international projects in 2019 that should help ensure shorter flight routes and more efficient air traffic management.

In today’s European airspace landscape, almost every country has its own air navigation services provider. The European Commission’s Single European Sky project is intended to reduce the present airspace fragmentation and harmonise Europe’s air traffic management system to enhance its efficiency. The continent’s airspace can only be effectively unified, however, if its air traffic can be handled in larger airspace areas: functional airspace blocks, or FABs. To these ends, Switzerland and skyguide are part of FABEC – Functional Airspace Block Europe Central.

The continuing traffic growth prompted intensified collaboration within FABEC in 2019, to ensure that the requisite airspace capacities were consistently maintained. The coordination with Eurocontrol’s Network Manager in assigning traffic flows among the various control centres helped to reduce the delays incurred by flights owing to airspace congestion. At peak times, some traffic was also diverted through Swiss airspace, to ease the capacity pressures on FABEC’s northwestern airspace area.
You will find full details of all the above in the 2019 Annual Report.

www.skyguide.ch/annual-report