



SERBIA AND  
MONTENEGRO  
AIR TRAFFIC SERVICES  
SMATSA LLC BELGRADE



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# ANNUAL REPORT

## 2021







# ANNUAL REPORT

2021

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# Foreword by the CEO



It was difficult to write a foreword for the 2020 Annual Report. For 2021, it was not much easier, either.

We still cannot boast of a record number of serviced aircrafts during the year, during the day or during the peak hour.

The year 2021 will be remembered as the second year of the biggest civil aviation crisis ever. The first half of the year was especially difficult, while in the latter there was a partial recovery of traffic, so the year ended with a 41% increase in traffic compared to 2020.

The financial liquidity and the provision of current assets to cover the operating costs of SMATSA, and the preservation of the employees' standard, were the main issues of operations last year. The measures taken to preserve the company's financial stability and streamline operations have brought results. The sale of the Vršac Aviation Aca-

demy was carried out, as an asset that is not used for the performance of the core activity.

We have maintained the quality of the services we provide to both civilian and military users, with the required level of safety, efficiency, and regularity of traffic.

Even in such difficult circumstances, we continued the implementation of the amended SUSAN Modernization Program. The construction of the Annex of the Air Traffic Control Center and the Control Tower at the Belgrade Nikola Tesla Airport was brought to the final stage, during which equipment and systems for providing air traffic control services (simulator, test systems, part of the equipment in the tower dome) were installed and integrated in parallel. Activities on the construction of the Besna kobila radar station continue. The project of improvement and expansion of the main flight data processing system "FAMUS Top-Sky-ATC" was completed as planned, and the start of operational work is planned after the summer season of 2022. The project to establish the SMATSA IP communication network is in its final phase. The Project and accompanying documents for other current projects planned by the SUSAN Program has been completed. Procurement procedures are in progress.

At Ponikve airport, we established the provision of Aerodrome Flight Information Services (AFIS), which required additional certification by the Directorate of Civil Aviation of the Republic of Serbia.

As part of the project to expand the free route airspace (South East Common Sky Initiative Free Route Airspace – SECSI FRA), as of December 2, 2021, the space was expanded by adding the space of Albania and North



Macedonia, thus covering the airspace from Germany to Greece. The realization of the project has brought benefits in increasing the efficiency of flying, which means reducing the operational costs of air carriers and reducing the negative impact of air traffic on the environment.

The PBN procedures for instrument flying are implemented in accordance with the approved PBN transition plans for the Republic of Serbia and Montenegro. The engagement of the professional services of SMATSA in the realization of the concession project of development, construction, and reconstruction at the "Nikola Tesla" Airport in Belgrade has been intensified.

Under the auspices of the Ministry of Education, Science, and Technological Development, in cooperation with the Belgrade Aviation Academy, a dual study model was developed in higher education, which will enable air traffic controllers to obtain the title of professional engineer.

The training of candidates for the 49<sup>th</sup> national class of air traffic controllers continued. Thanks to the professionally performed selection, the training candidates achieve excellent results.

Cooperation with competent institutions, regulatory and supervisory bodies, as well as other subjects from the aviation system of the Republic of Serbia was at a very high level throughout 2021.

The engagement of the majority of employees, governing bodies, and management made it possible to achieve the planned business goals in 2021.

The latter half of 2021 raises hopes that the recovery of civil air traffic is imminent. When that time comes, we must be ready, both technologically and in terms of personnel, in order to make the best use of the new opportunities and respond to the risks and challenges that this time brings.

I would like to thank everyone for their engagement in 2021, and I am sure that the Report for 2022 will have better results and much more optimism.

Predrag Jovanovic

CEO, Serbia and Montenegro Air Traffic Services SMATSA Ilc Belgrade



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# About Serbia and Montenegro Air Traffic Services

## 2.1 Organization Profile

The Serbia and Montenegro Air Traffic Services SMATSA llc Belgrade (hereinafter SMATSA) provides air navigation services in the airspace of its area of responsibility and performs other related activities directly and indirectly in support of providing these services.

The founders of SMATSA are the governments of the Republic of Serbia and the state of Montenegro.

After the conclusion of the Agreement on cooperation in the field of air traffic between the Republic of Serbia and the state of Montenegro, in 2012, the agreement signed by both governments confirmed the continuity of the existence of a joint service provider in air navigation – SMATSA.

SMATSA operates in full compliance with national and international regulations and international agreements. In addition, SMATSA participates in the work of the most important international aviation organizations and represents the Republic of Serbia and the state of Montenegro in the best manner possible.

## 2.2 Services and Jurisdiction of SMATSA

The main activity of SMATSA is the provision of air navigation services (ANS) and the provision of services in air traffic, which include the following:

1. Air Navigation Services (ANS):
  - Air Traffic Services (ATS);
  - Aeronautical Meteorological Services (MET);
  - Aeronautical Information Services (AIS);
  - Communication, Navigation, and Surveillance (CNS);
2. Air Traffic Management (ATM):
  - Air Traffic Services (ATS);
  - Airspace Management (ASM) service;
  - Air Traffic Flow Management (ATFM) service.

3. Instrument Flight Procedure Design (FPD) services.

Area of responsibility of SMATSA includes the airspace above:

1. Republic of Serbia;
2. Montenegro;
3. International waters in the Adriatic Sea and
4. Bosnia and Herzegovina above the narrow strip in the immediate vicinity of the border with the Republic of Serbia and Montenegro.



**Figure 1.**  
The territory over which SMATSA provides air navigation services

## 2.3 Additional services

In addition to air navigation services, SMATSA also provides the following services:

1. Air Navigation Service Provider (TRE) staff training, including ATCO, VTO and VMO training;
2. Airborne GRNS and system calibration (CAL) services, and
3. Ensuring the continuous airworthiness of aircraft (CAMO).



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# Overview of 2021 In Figures

The year 2021 was another year of the crisis caused by the COVID-19 pandemic, which had a major impact on air traffic around the world. Traffic in Europe recorded a decrease of about 44% compared to 2019, and yet, at the same time, a certain recovery (by 25%) compared to the previous year 2020. In the airspace of the jurisdiction, in 2021, around 469,000 flights were realized, which is an increase of 41% compared to the previous one, i.e. a decrease of 38% compared to 2019, as a reference year before the pandemic. The recovery started in the latter half of the year, on the traffic routes that connect the countries of Western and Northern Europe and tourist destinations in Greece, Turkey, Egypt, etc. The winter flight schedule also brought an increased number of flights, especially on routes to Egypt.

As for the traffic in the terminal, in 2021, about 63,500 take-offs and landings were realized, or an increase of 48% compared to 2020, i.e. 33% less traffic compared to 2019.

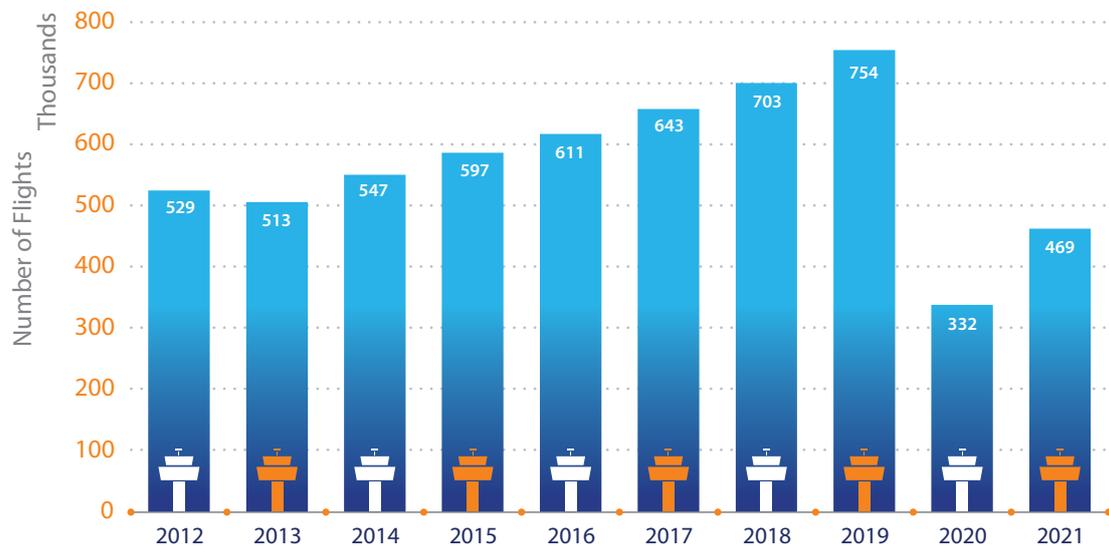


Figure 2.  
Total number of IFR flights in the period from 2012 until 2021

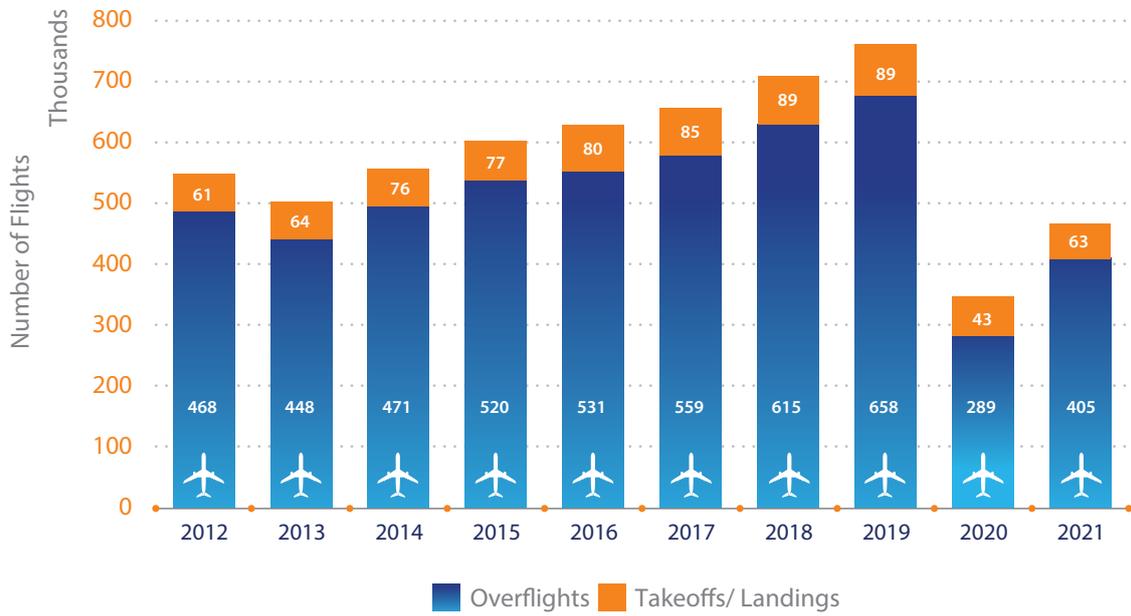


Figure 3.  
Number of IFR overflights and takeoffs / landings in the period from 2012 to 2021



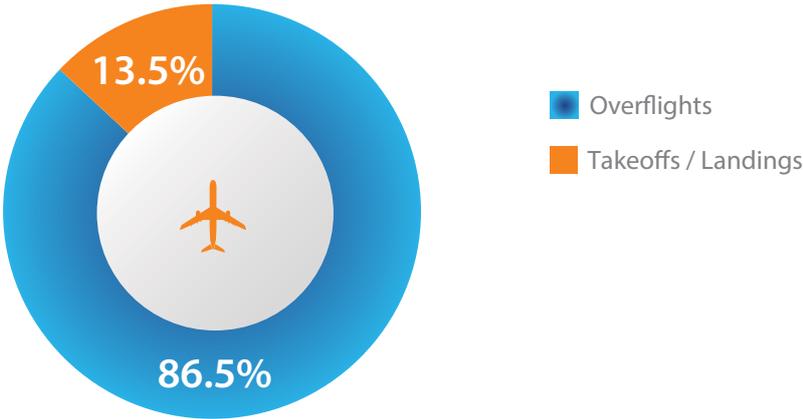


Figure 4. Distribution of IFR flights in 2021



Figure 5. Peak day and peak hour in the period from 2012 until 2021

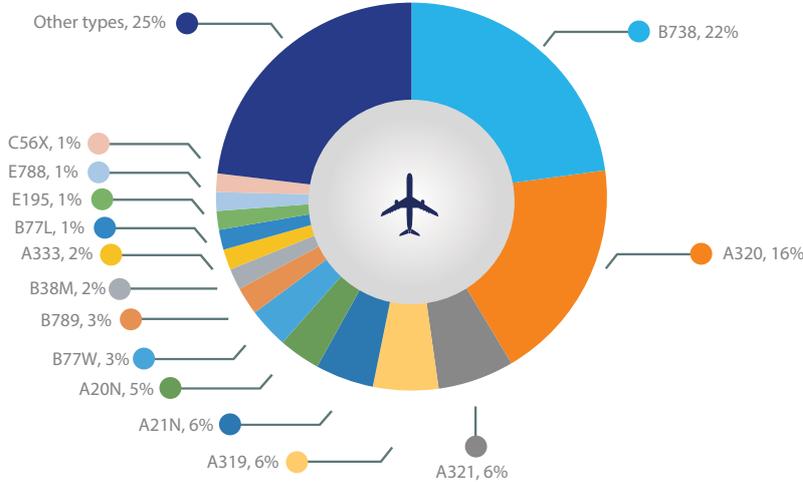


Figure 6. Breakdown of respective aircraft types shares in 2021

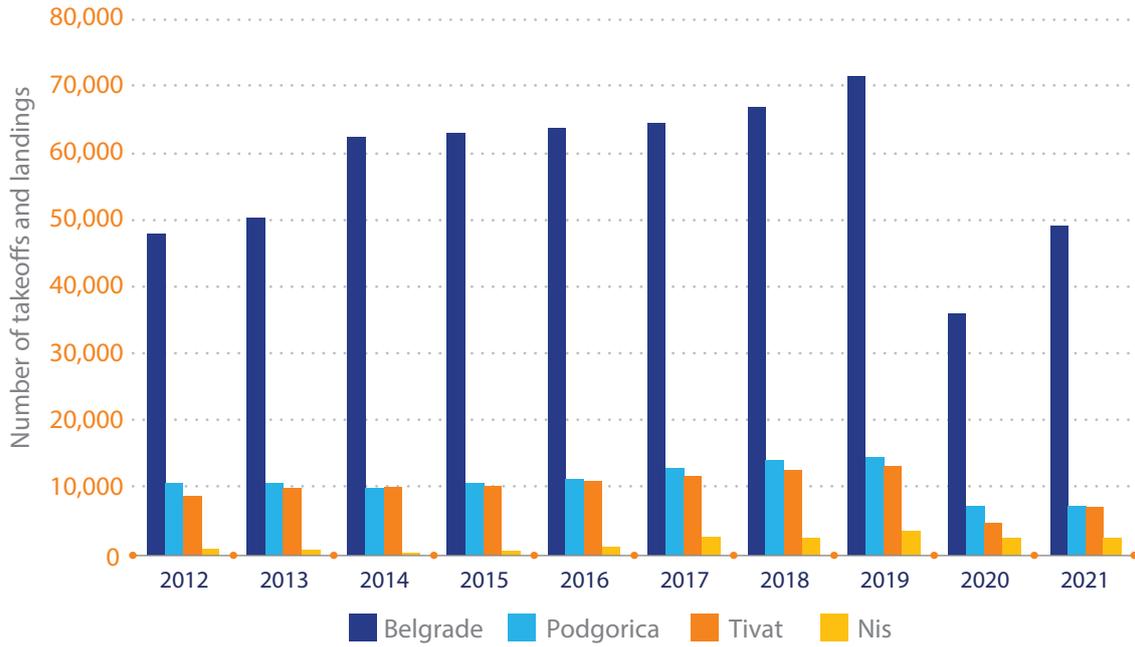


Figure 7.  
Number of IFR take-offs and landings by airports in the period from 2012 to 2021

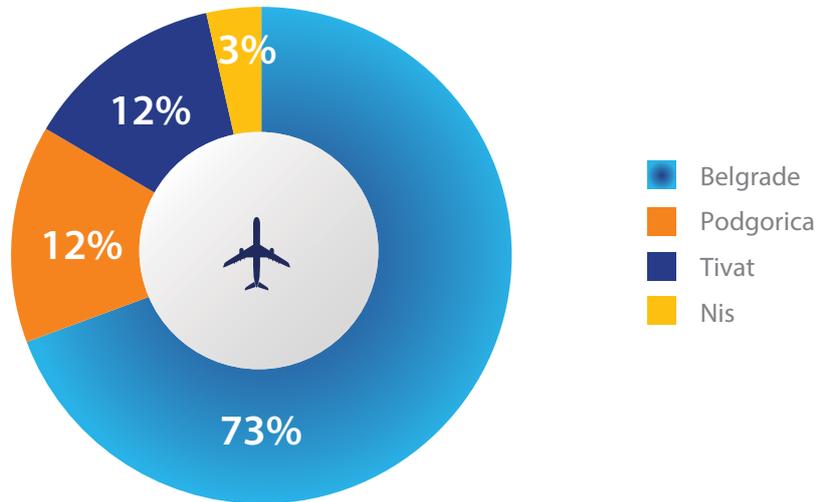


Figure 8.  
Traffic distribution by airports in 2021



Country of take-off – Country of landing

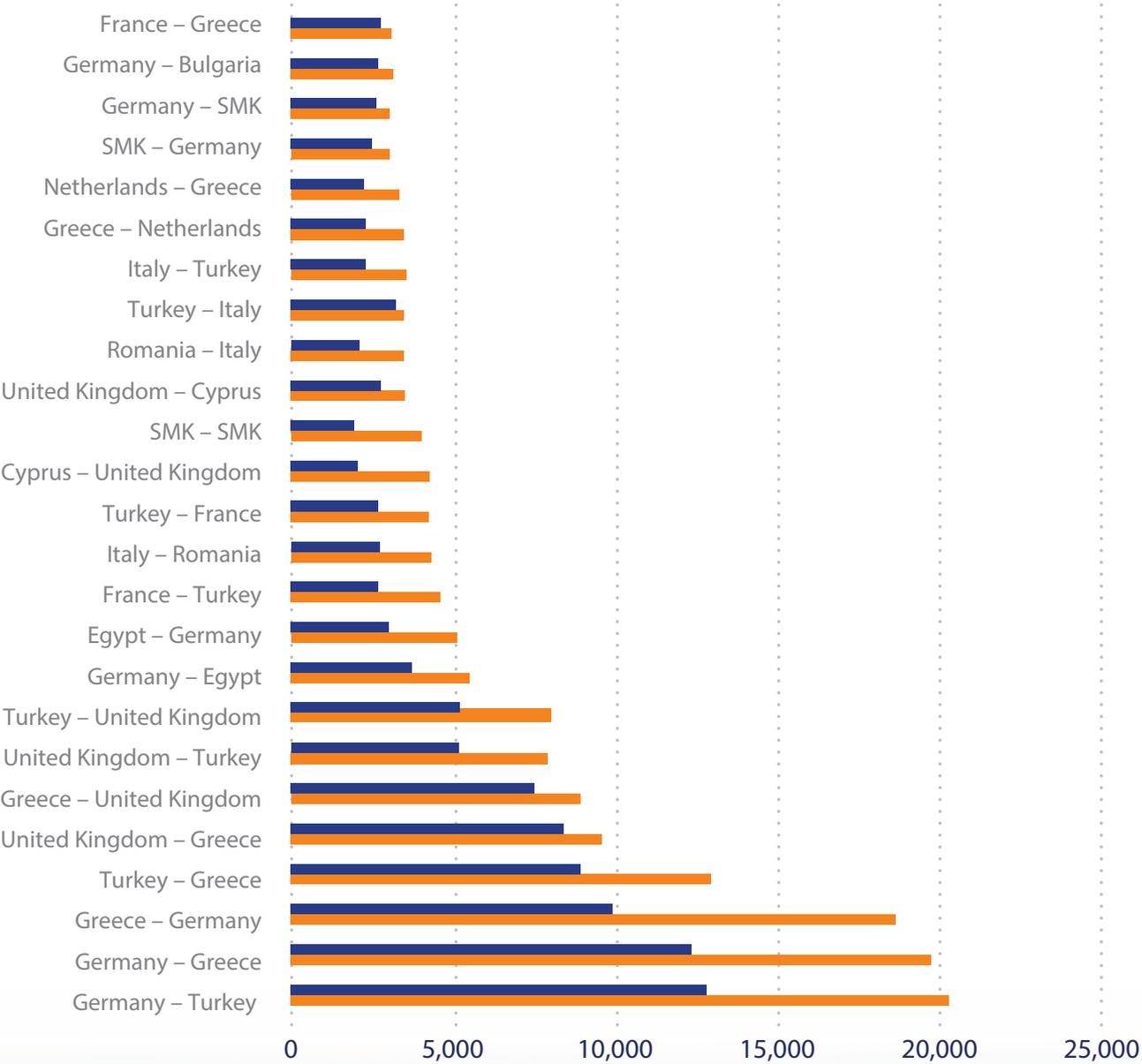


Figure 9.

Number of IFR flights in the airspace under SMATSA jurisdiction per country of take-off/landing in 2020 and 2021<sup>1</sup>

<sup>1</sup> The picture shows the first 25 pairs of countries



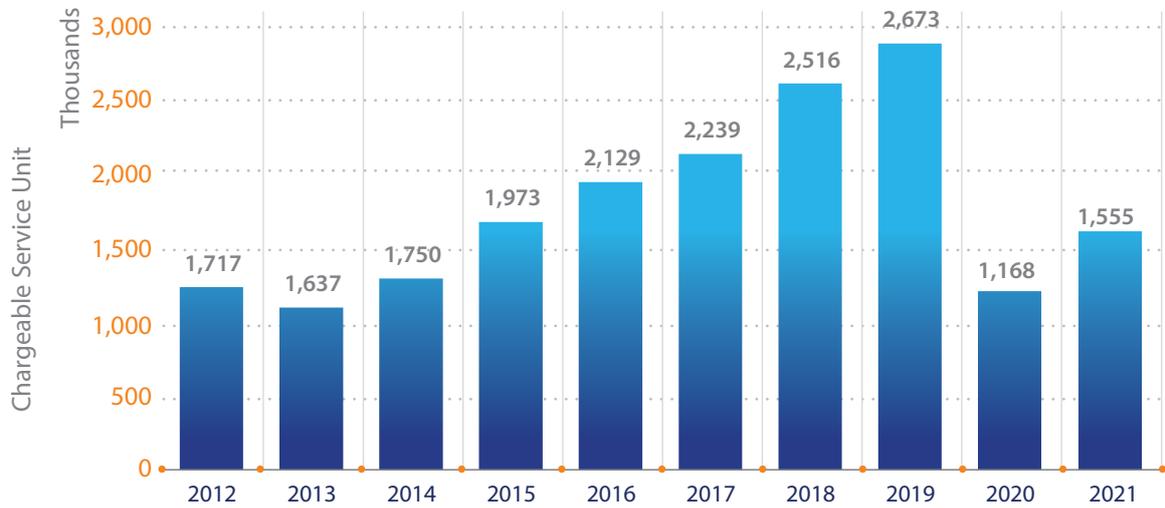


Figure 10.  
Number of service units in the period from 2012 to 2021

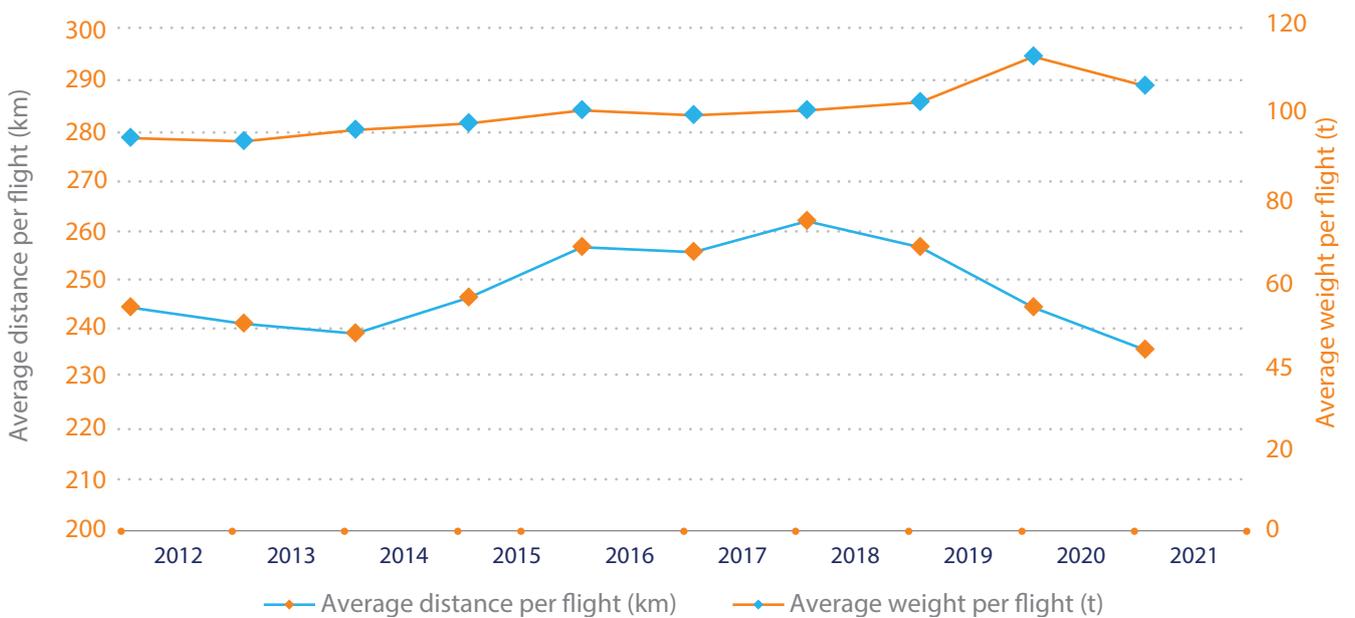


Figure 11.  
Average flight length and average MTOW<sup>2</sup> in  
FIR Belgrade in the period from 2012 to 2021

<sup>2</sup> Maximum take-off weight

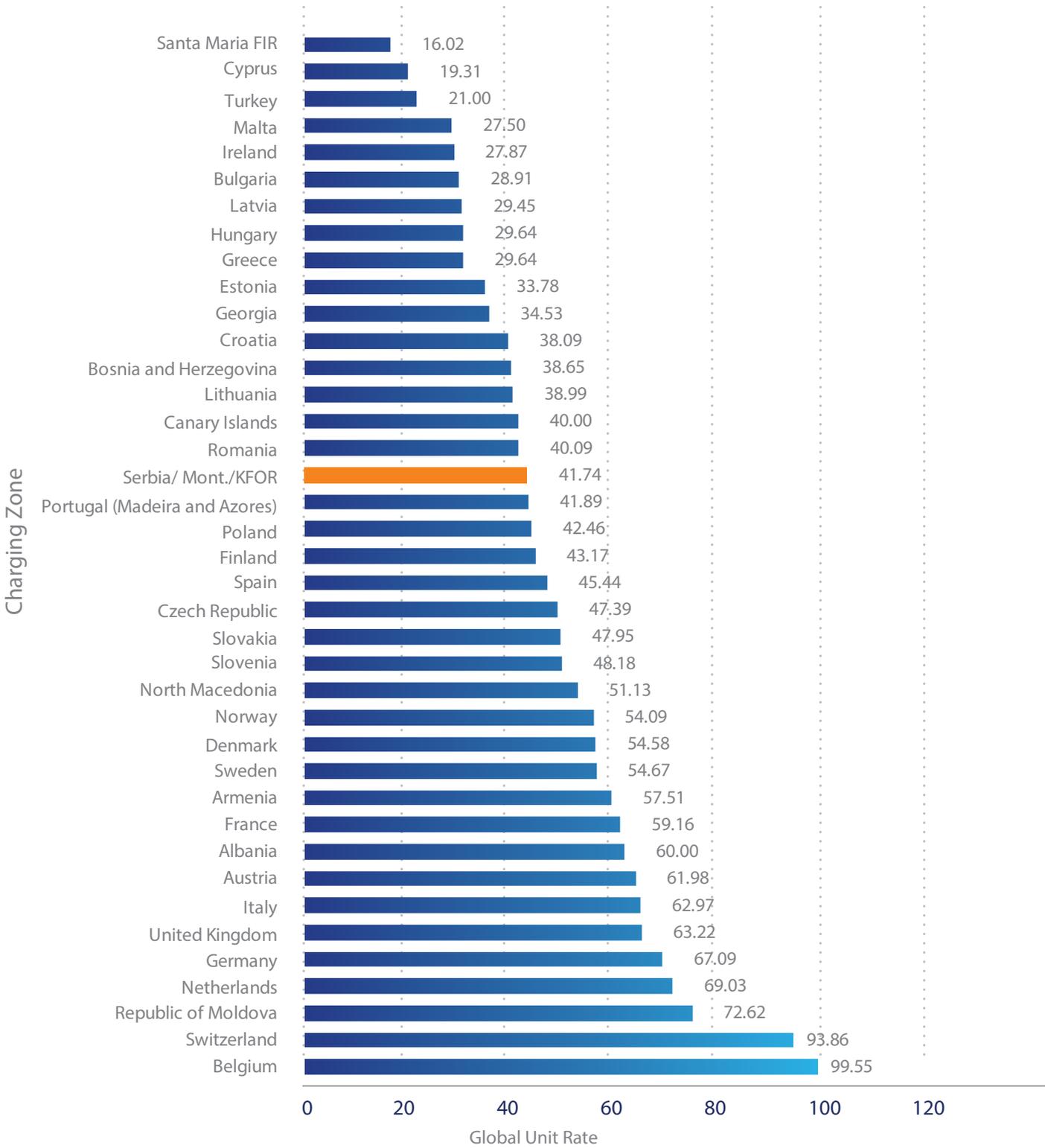


Figure 12. Global Unit Rate in 2021



### 3.1 Employee Structure in 2021

In 2021, due to the change in the ownership structure of SMATSA Aviation Academy, there was a significant decrease in the number of employees compared to previous years.

When it comes to employees of other organizational units of SMATSA, due to the streamlining and optimization of operations caused by the COVID-19 pandemic, there were no significant changes in 2021. Therefore, the employee structure remained similar to previous years.

The following figures show the structure of employees at the end of 2021 according to gender, qualification groups and age structure.

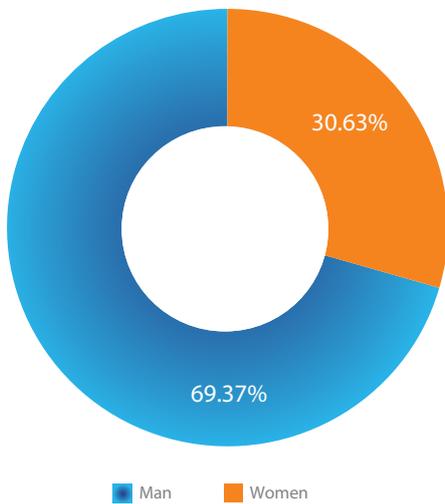


Figure 13.  
Structure of employees according to gender

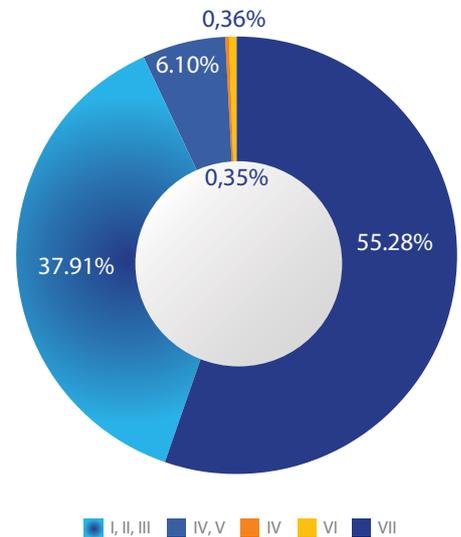


Figure 15.  
Qualifications structure

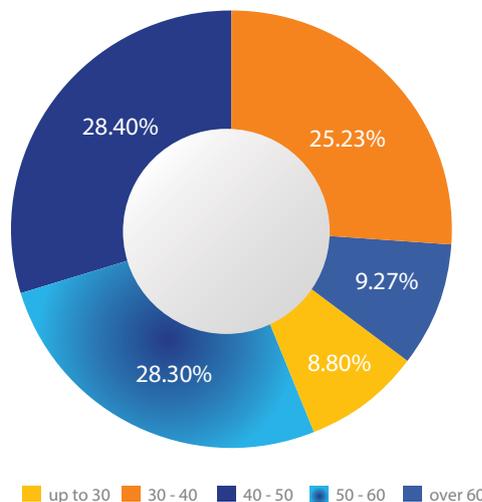


Figure 14.  
Age structure of employees



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# Important Business Results in 2021

## 4.1 Improvement of Air Navigation Services Management

In the course of 2021, despite numerous difficulties in air traffic caused by the COVID-19 pandemic, SMATSA managed to implement activities aimed at improving the quality of services in air navigation.

The implementation of planned activities in the key areas of air traffic control – ATM, CNS, MET and AIS and constant investment in the improvement of the system for providing services in air navigation, made it possible to maintain the safety and efficiency of air traffic at the highest level, with good management of the flow and capacity of air traffic.





### 4.1.1 Improvements in the field of ATM

In the period from the end of May until the beginning of October 2021, measures against the COVID-19 pandemic were still in force, so that certain phases of the project Improvements in functionality with the transition to the TopSky-ATC system, step 2, took place with difficult dynamics.

Due to the conditions of the pandemic, the factory acceptance test (FAT) was organized via WebEx conference and remote access to the platform in the factory (instead of the planned activities in the factory of the system manufacturer). The training of operational and technical staff was also organized as a distance training, but additional training was also held for the operational and technical staff of SMATSA at the system manufacturer. Taking into account the volume of work and the available number of staff, overtime was introduced to implement the activity plan according to the Contract, which is coordinated with the timeline of the construction of the Air Traffic Control Center annex with the new AATC Belgrade tower.

In 2021, the preparation of new safety documentation for the implementation of changes in the functional system (production of Safety Case for system transition) was started, in accordance with the new regulations.

A plan for internal testing of corrected software versions has been agreed, and it refers to the procedure for the TopSky-ATC system software.

The ATCO supplementary training is planned for September/October 2022 and will be conducted on a new, expanded simulator.

Despite all the difficulties, all contracted activities were successfully completed by November 15, 2021, according to the contracted dynamics.

During 2021, SMATSA participated in the development of a dual study model and business-technical cooperation in higher education with the Ministry of Education, Science and Technological Development and the Aviation Academy. Also, the representatives of SMATSA worked on the preparation of documentation for the accreditation of the study program of basic professional studies – ATC with the National Body for Accreditation and Quality Control in Higher Education.

As part of the reduction of operating costs and the absence of traffic demand, within the framework of SMATSA, until November 2021, the project to abolish AATC Ponikve was implemented, which included the expansion of the area of TMA Kraljevo by adding it to the jurisdiction of TMA Užice, as well as the termination of air traffic control services at Užice airport (abolition of CTR), which resulted in the provision of Aerodrome Flight Information Services (AFIS) as well as withdrawal from the use of instrument flight procedures.

Until November 2021, the instrument flight procedures for the airport in Niš have been changed. Due to the gradual withdrawal from the use of the so-called Legacy VOR devices and the absence of both regulatory and operational justification for their replacement, the conventional procedures for instrument flying were reorganized. As a result, the PBN procedures for instrument flying were also changed. The project was organized in order to reduce costs and comply with regulatory requirements.





Work on the implementation of the project – Extension of SECSI FRA area, including the FRA area of Albania and North Macedonia, lasted throughout the year. It was implemented on December 2, 2021, but intensive monitoring with the introduction of corrective measures lasted until the end of 2021. The implementation of this project brought benefits in increasing the efficiency of flying, affecting the reduction of operating costs of the air carrier as well as the negative impact of air traffic on environmental pollution.

During the latter half of 2021, version 2.0 of the PBN transition plan for the Republic of Serbia and the PBN transition plan for Montenegro was prepared. The new version of the transition plan for the Republic of Serbia has been adopted, while the version of the plan for Montenegro has been submitted to the National Airspace Management Board and its adoption is expected.

The conceptual solution for the reorganization of the vertical boundaries of the airspace at TMA Podgorica and AATC Tivat was submitted to the civil aviation authorities of Serbia and Montenegro in 2021. The end of the activity is expected at the end of 2022.

The implementation of the H24 Free Route concept (Cross Border Free Route Airspace) in the jurisdiction of the regional sectors ATCC Belgrade and ATCC Zagreb (SEAFRA) with the tendency to expand on the South East Axis air traffic route in Europe was successfully implemented.

Due to the impact of the COVID-19 pandemic on the business operations of economic entities and restrictions in air traffic, the deadline for the completion of procurement and the development of tools to support the head of the air traffic control shift during the selection of an adequate sector configuration was moved to October 2021, which created the conditions for better quality software testing from by the operational staff of SMATSA in the summer season, when there was an expected increase in traffic.

There was a delay in the procurement and implementation of the SDDS system due to the corona virus pandemic.

During October 2021, a hardware test of the system was carried out, and the PreOJT simulator was installed in the annex of the ATCC Belgrade building. It was initially planned that the last sub-phase of the project, which refers to the installation of consoles in the new AATC Belgrade tower, will be completed by December 2021, but it was postponed to March 2022, due to the delay in the construction of the new AATC Belgrade tower.





## 4.1.2 Improvement of equipment, systems and infrastructure

In order to continuously improve the safety and quality of services, as well as to meet the technological standards set for service providers at the Pan-European level, SMATSA continuously implements activities aimed at implementing new technologies, systems and equipment, as well as improving facilities and infrastructure.

Most equipment, system and infrastructure improvement projects involve high-tech and very complex improvements, the implementation of which requires the implementation of multi-year activities. Therefore, the overview of the realization of activities on a one-year level provides first of all a segmental insight into the results of the realization of such projects.

In addition, SMATSA carries out permanent coordination in order to harmonize various issues of interest with BELGRADE AIRPORT Belgrade, and within the plans for the airport development of the Nikola Tesla Airport (ANT), which are foreseen by the concession started at the end of 2018. During 2021, the coordination of activities related to the implementation of new systems

and the construction of new facilities and infrastructure, protection or relocation of existing infrastructure, procedures during the execution of works at Nikola Tesla Airport, etc., continued.

Throughout 2021, cooperation continued on harmonizing technical solutions for monitoring the management of the light marking system that will be installed in the dome of the new AATC Belgrade tower, sending radar data for the needs of the Noise Monitoring system that the concessionaire is obliged to implement at Belgrade Airport, and the harmonization of technical solutions for the needs of the transition of existing operating systems under the jurisdiction of BA to the new AATC Belgrade tower.

In accordance with the Agreement on connection to the NewPENS network, in order to implement services on this infrastructure, in April 2021, the operational AFTN connection with Vienna was migrated to the NewPENS network, while in August the protocol was changed to AMHS.

## 4.1.3 Improvement of AIS services

Aeronautical Information Services (AIS) provide the flow of aeronautical information that is necessary for the safe, regular and efficient performance of international and domestic air traffic. Aeronautical data and information are made available to all users for operational use.

Aviation information processes are aligned with international standards and recommended practices contained in the common requirements of the Single European Sky.

Training as part of the project to upgrade the AFTN/AMHS system was held in March, so that the employees who use the CADAS terminals would become familiar with the new

functions and capabilities of the AFTN/AMHS system.

In mid-July 2021, a workshop was held for the employees of Belgrade Nikola Tesla Airport on the topic of NOTAM publication. The workshop was held by the AIS – NOTAM Department with a view to training the participants for quality and proper filling of the Request for the publication of NOTAM.

On August 12, 2021, the new ICAO SNOWTAM form was introduced into operational work, which, in addition to employee training, necessitated changes to a significant number of internal documents within SMATSA.

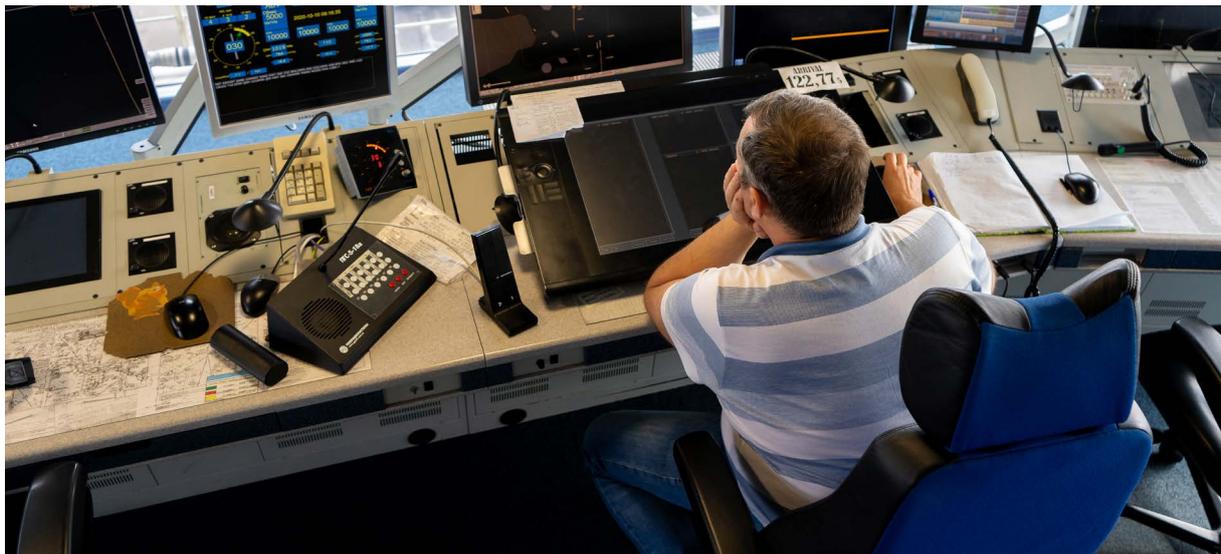


In November 2021, the International Exercise VOLCEX21 was held, which included the simulation of volcanic activity with the eruption of a volcano in Iceland and the contamination of the airspace over most of Europe with volcanic ash. Since the FIR Belgrade was included in the exercise, the International NOTAM Bureau participated in the exercise, which was conducted in the airspace of the Republic of Serbia, Montenegro, as well as in the airspace above the Adriatic Sea outside the territorial waters of Montenegro up to the limits established by international agreements.

At the beginning of December 2021, the basic software EAD – Release 14 was upgraded, which led to the improvement of the EAD service. This improvement required additional preparatory activities on the part of SMATSA, as well as an assessment of the impact of this change on functional systems.

In the last quarter of 2021, in order to improve the distribution of aviation publications in electronic form, preparations were made for the transition to a new distribution method. Instead of the previous distribution by mail, publications in electronic form will be downloaded from the protected SMATSA server from January 2022.

At the end of 2021, the EAD transition of static data from SDO to SDD began, with an introduction to the transition process itself, eAIP and graphic tools for creating aeronautical charts, as well as the presentation of the Transition Plan itself.



#### 4.1.4 Improvement of MET services

In order to maintain a high level of safety, regularity and expediency of air navigation, SMATSA provides aviation meteorological services respecting both national and international standards and regulations.

February 26, 2021, marked the beginning of the operational use of application software for prognostic workstations with hardware at the location of ATCC Belgrade and AATC Belgrade. The possibilities of prognostic functions within MET services have been significantly improved by integrating the functions and data of several different systems on which prognostic MET services are based, and are reflected in the following parameters: insight into OPMET data, analytical ground and altitude maps, satellite images and prognostic maps of several prognostic centers, enabling the creation of analytical maps,



automation of TAF verification, as well as the introduction of the possibility of integrating analytical and prognostic material, radar images, images from panoramic cameras and data from the system for detecting electric discharge in the atmosphere in the territory of Serbia and Montenegro.

In the period from November 2017 until June 2021, the Project eGAFOR was initiated in the region, launched with the aim of establishing a forecast that provides general aviation pilots with easy-to-understand MET information about conditions en route and beyond.

Seven MET providers participated in the project: CCL (Croatia) – initiator and leading partner of the project, ARSO (Slovenia), BHANSA (Bosnia and Herzegovina), OMSZ (Hungary), ROMATSA (Romania), SHMU (Slovakia), SMATSA (Serbia and Montenegro). The industrial partner in the Project was IBL (Slovakia).

The planned result of the eGAFOR project was achieved. The forecast of meteorological phenomena dangerous for aviation is harmonized and presented graphically, and users are given access through the website.

In the course of May 2021, the eGAFOR product was implemented, and after the completion of the regional eGAFOR Project co-financed by INEA (BSO.01.08.04 eGAFOR Project), MET providers (participants) in the eGAFOR Project also participate in the regional development of the eGAFOR forecast.

The joint production of eGAFOR forecasts was launched as an optional module within the EUMETNET Aviation Support Program (ASP), which enables MET providers to simultaneously issue a harmonized forecast, which improves flight safety, easy transfer of knowledge, expertise and experience between the EUROCONTROL test program (decision-making tools) and eGAFOR. The EUROCONTROL pilot program, based on the system developed

during the eGAFOR Project (the technical platform is part of the EUROCONTROL pilot program), served to ensure that any development made within one program can be beneficial for another.

October 2021 marked the beginning of the operational use of application software for prognostic workstations with hardware for the exchange of OPMET data in SMATSA and the distribution of data from this system to international exchange. This established the NOC (National OPMET Center) Belgrade, which fulfilled the required standards for the international exchange of MET information with the ROC (Regional OPMET Center) Vienna in SMATSA and then established the exchange. The aforementioned also includes the implementation of the exchange of MET information in IWXXM format, which enables the MET information, the source of which is SMATSA, to be delivered in the prescribed manner within the System Wide Information Management (SWIM) infrastructure.

Between 21 through 24 September 2021, the 31st meeting of the METG/31 Meteorological Group (METG) was held within the ICAO European Air Traffic Planning Group (EANPG).

In the first half of 2021, a series of meetings were held with representatives of the Air Force and Air Defense of the Serbian Armed Forces (RV & PVO), with the aim of familiarizing SMATSA with the needs of the Air Force and Air Defense Forces, and the representatives of the Air Force and Air Defense Forces with the MET services that SMATSA is able to provide. As a result of these consultations, the Coordination Agreement for the provision of MET services was established between SMATSA and RV & PVO. In the coming period, further improvement of the way of making MET information available to users in RV & PVO is to take place.



## 4.2 Improvement of Cooperation with Relevant Organizations, Regulatory Bodies, and State Authorities



SMATSA continuously carries out activities aimed at the implementation of policies, appropriate regulations and technological solutions important for the business. Precisely because of this, SMATSA worked resolutely during 2021 to improve partnership relations and strengthen cooperation with relevant organizations and service users.

When it comes to the process of harmonizing SMATSA with the requirements of ATM/ANS and the implementation of regulation (EU) 2017/373, in the first quarter of 2021, SMATSA worked on the activities of harmonizing and implementing requirements for ATM/ANS services and functions in accordance with requirements of regulation (EU) 2017/373, which resulted in the issuance of a new certificate for the provision of ATM/ANS services and functions by CAD at the end of March, and recognition by CAA at the end of December (after successfully implemented joint supervisory checks during 2021).

In November 2021, compliance with the requirements of the regulations in the Republic of Serbia was confirmed through the implementation of the EASA standardization inspection at CAD and SMATSA.

In June 2021, the inspection of the quality system at SMATSA, under the supervision of the certification company SGS Belgrade, was carried out at the following locations: SMATSA Training Center (QMS), AATC Batajnica (ATM, AIS, MET, CNS) and AATC Niš (ATM, AIS, CNS). Based on the successful verification, the importance of the ISO 9001:2015 – quality management system certificate was confirmed.

During May 2021, the EASA team of inspectors performed a certification check of the FSTD at the Aviation Academy, in accordance with the regulation (EU) 1178/2011 (Aircrew), which refers to the organization for the training of aircraft pilots and for the license to use flight simulation devices (ATO/FSTD).

The EASA emergency check was carried out during July 2021, with a team of Maintenance Organization (MO – Maintenance Organization) service checkers, in accordance with regulation (EU) 1321/2014.

In July 2021, the organizational unit SAA (SMATSA Aviation Academy), domains ATO, FSTD,



MO and AD were wound up, and the service provision (revision of processes, documentation and activities within the quality system of SMATSA) ceased.

During November 2021, SMATSA was successfully certified for the provision of AFIS services as part of ATM/ANS services and functions (CAD conducted a certification check on July 15, 2021).

### 4.3 Development of competitive commercial services

The development of commercial services has developed and changed over the years within SMATSA, and in 2021 the focus was on providing calibration services for the needs of users from the region and beyond.

#### 4.3.1 Airborne GRNS Calibration

SMATSA has all the necessary resources, professional staff and modern equipment, which enable the provision of airborne GRNS calibration, checking of flight procedures, as well as testing services related to the selection of a location for the installation of a new GRNS. For this purpose, a modern Hawker Beechcraft King Air 350 aircraft with built-in calibration equipment (AD-AFIS-260) is used, which SMATSA uses for its own needs, but also provides services to external users.

Services are provided in accordance with the requirements and recommendations defined in the documents of the International Civil Aviation Organization (ICAO) □ Annex 10, Annex 14 and Doc 8071.

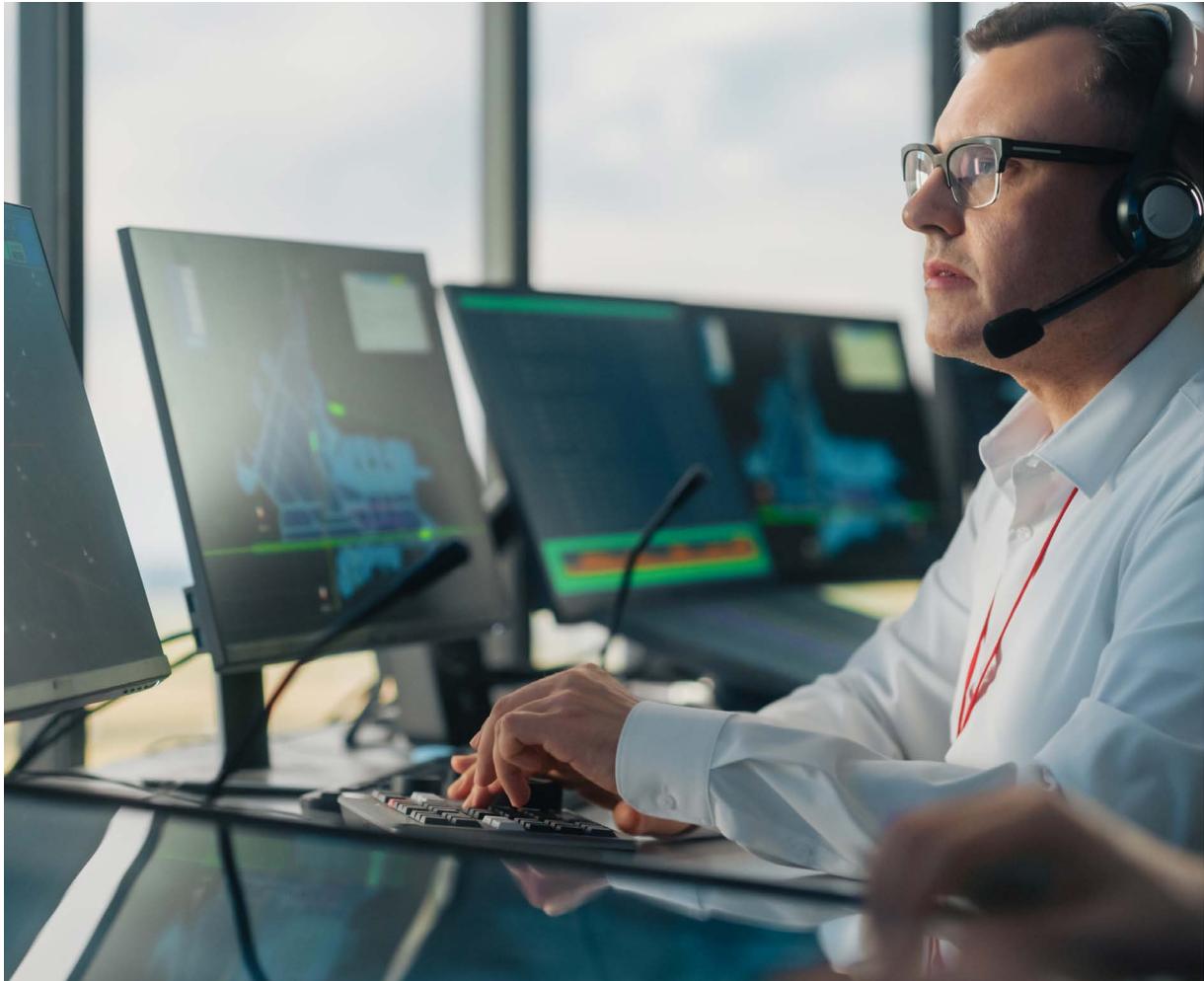
In 2021, regular and extraordinary calibrations and validations of aerial procedures were carried out based on concluded contracts.

The annual calibration plan by means was 110% achieved. A total of 292 calibrations were carried out, of which 266 calibrations according to the annual plan and 26 extraordinary calibrations. Out of the total number of calibrations (266), 163 were realized according to contracts with external users.





## 4.4 Development and improvement of the training system



Regarding the improvement of candidate training, procedures and documentation in the training system of both airport and radar air traffic controllers, 2021 was marked by documentation changes and the development of a set of new Practicums and Exercise Catalogs for the simulator.

Activities regarding increasing the capacity of the VCS simulator for the needs of expanding the 2D/3D simulator have been postponed for some future period



## 4.5 ANS Staff Training Center

ANS Staff Training Center is an authorized center for the education and training of air traffic controllers, aviation-technical and aviation-meteorological staff. Training programs are aligned with ESARR requirements, national and international regulations, as well as ICAO standards.

ANS Staff Training Center, in addition to training for its own needs, also provides training services to external users, both organizations and individuals.

The most important trainings for own needs, realized in 2021, in accordance with the Plan for conducting trainings at the ANS Staff Training Center, are shown in the following table.

During 2021, Contract was signed about the dual model of education and business and technical cooperation between the Serbia and Montenegro Air Traffic Services SMATSA Belgrade and the College of Vocational Studies Aviation Academy. In accordance with the aforementioned Agreement, it was agreed that the ANS Staff Training Center will continue with the implementation of BASIC TRAINING for the acquisition of a student air traffic controller's license/air traffic controller's license and the corresponding authorization for future participants of the national class of air traffic controllers, and for the needs of SMATSA.

The trainees who will be attending the study program in the dual model of education at the College of Vocational Studies Aviation Academy, the study program of the basic vocational studies – air traffic control to obtain the title of professional air traffic control engineer, will be trained to obtain the air traffic controller's license and the corresponding ADI-GMC/AIR Belgrade and ADI-TWR Niš authorizations.

Theoretical lectures in the subjects of basic training will be conducted in the premises of the College of Vocational Studies Aviation Academy, Belgrade.

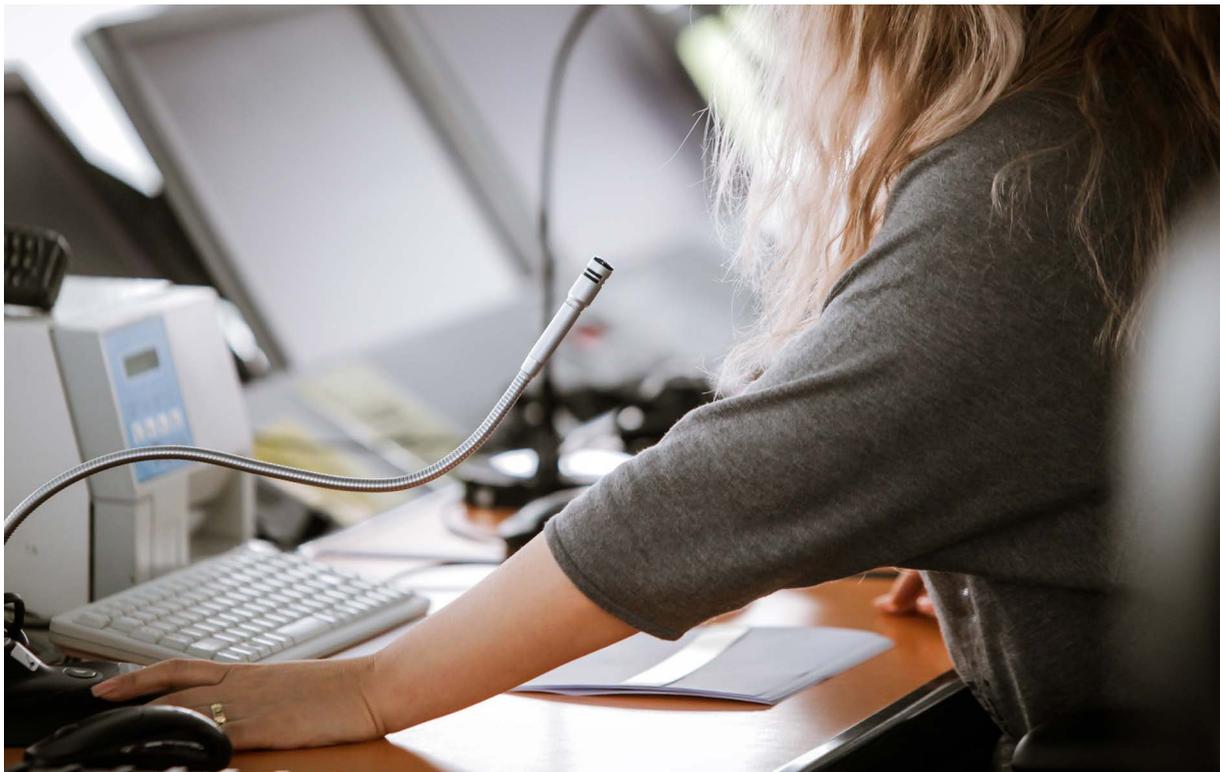




Table 1. Realization of trainings within the ANS Staff Training Center in 2021

Name of training	Number of training sessions	Number of trainees	Degree of realization and details
Refresher training course of the knowledge of instructors for On-the-job training and evaluators	12	102	The trainings were implemented 100%. Conducted 12 trainings with 102 trainees.
Initial air traffic controller training (Initial Training (training for new/ additional ADI in APP and ADI in APS/ TCL))	7	95	The trainings were implemented 100%. Conducted 7 trainings with 95 participants.
Continuous training (air traffic controller refresher training and air traffic controller training in aviation English) (Continuation Training)	48	284	The trainings were implemented 100%. Conducted 48 trainings with 284 participants.
Other trainings - PVL training for work in the Department for KZA VP - Training for inspector verifiers for aerial calibration work - ITO workshop - Preparation and evaluation through the TEA test	24	106	The trainings were implemented 100%. Conducted 24 trainings with 106 participants.
Training for special authorizations of on-the-job training instructors, synthetic training devices and assessors (OJTI/ STDI /ASSE)			Trainings were implemented 0%. 9 trainings planned – 0 implemented.  The trainings were not carried out because the competent operational units did not carry out, i.e. instructed the participants of the training for the implementation of the mentioned trainings during 2021.
Training for CNS staff			Trainings were implemented 0%. 1 training planned – 0 implemented. The training was not delivered because the competent operational units did not send the trainees to conduct the said training during 2021.
<b>Total training/participants</b>	<b>92</b>	<b>591</b>	



## 4.5.1 Training in air traffic control operational units

In addition to the trainings that were carried out at the ANS Staff Training Center, during 2021, trainings were also conducted in operational units, as presented in the table.

Table 2. Training in air traffic control operational units in 2021

Name of training	Degree of realization and explanation
Training to obtain ACS LYBA authorization (ATCC Belgrade)	Planned for 3 air traffic controllers, implemented – 3, successfully completed – 3. Percentage of success 100%
Training to obtain APS-TCL LYBA authorization (TATC Belgrade)	Planned for 3 air traffic controllers, implemented – 3, successfully completed – 3. Percentage of success 100%.
Training for ADI-GMC/AIR authorization (AATC Belgrade)	Planned 4 air traffic controllers, implemented – 4, successfully completed – 2. Percentage of success 50%.
Training for the acquisition of ADI-TWR and APP LYNI authorizations (AATC Niš)	Planned for 7 air traffic controllers, implemented – 7, successfully completed – 7. Percentage of success 100%.
Training for the acquisition of ADI-TWR and APP LYBT authorizations (AATC Batajnica)	Planned for 3 air traffic controllers, implemented – 3, successfully completed – 3. Percentage of success 100%.
Training to obtain ADI-TWR and APP LYKR authorizations (AATC Kraljevo)	Planned for 2 air traffic controllers, implemented – 2, successfully completed – 2. Percentage of success 100%.
Training for AFIS informant (AATC Kraljevo)	Planned for 12 air traffic controllers, implemented – 12, successfully completed – 12. Percentage of success 100%.



#### 4.5.2 SMATSA Aviation Academy

SMATSA Aviation Academy is no longer part of SMATSA from the middle of 2021. The contract on the transfer of the property of the Aviation Academy in Vršac to the Republic of Serbia was signed in Vršac, making this training center part of the formal education system. By signing this contract, this training center became an Aviation training center for secondary and higher dual education, and together with the Aviation Academy in Belgrade and the College of Vocational Studies Aviation Academy in Belgrade, will provide all the necessary conditions for the education of personnel for aviation and the aviation industry.

#### 4.5.3 Development of competitive commercial services in air navigation

During 2021, the necessary analyzes were carried out in order to make a decision to streamline the operations of the SMATSA Aviation Academy. This was followed by obtaining appropriate conclusions from the Government of the Republic of Serbia in order to obtain the basis/consent for the registration of property rights on buildings and land in the real estate register, as well as the implementation of the adopted status decisions regarding the SMATSA Aviation Academy.

Based on the analyzes carried out and with the signing of the Agreement on the transfer of ownership to the Republic of Serbia, SMATSA Aviation Academy is no longer part of SMATSA from the middle of 2021.



## 4.6 Improvement of corporate social responsibility and environmental protection

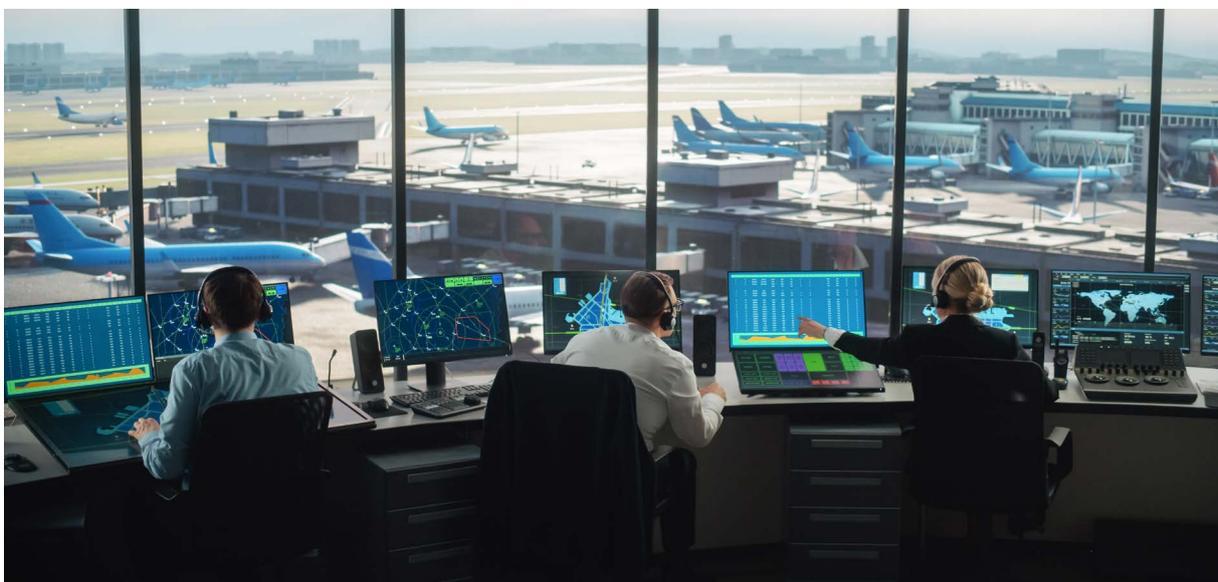
In the course of 2021, a regular annual supervision check of the quality management system (QMS) and environmental management system (EMS) was carried out by the team of auditors of the certification house Societe Generale de Surveillance (SGS) from Belgrade. This activity included an integrated annual supervision check of the QMS and EMS systems in order to maintain the validity of the issued ISO 9001:2015 QMS and ISO 14001:2015 EMS certificates.

The year 2021 was marked by several significant activities related to environmental protection. First of all, in order to realize the action plan of a balanced approach in noise management, the Advisory Committee for Environmental Protection and Social Issues (ESAC) was formed, which manages the Belgrade Airport, and the participants of the committee are representatives of interested parties at the airport complex, as well as representatives of the Ministry, CAD and local governments. The first meeting was held on the topic of the built Radio Far settlement and the detailed regulation plan for settlements near the airport. In addition, activities related to the initiative aimed at reducing carbon dioxide emissions continued, thanks to the application of CDO continuous approach procedures, as well as the application of direct routes in the SECSI FRA common airspace.

In 2021, SMATSA generated 24,679 tons of waste, of which 13,708 tons were hazardous. The percentage of the amount of waste that is submitted for some form of reuse is over 90%. SMATSA monitors trends in the ratio of the amount of hazardous and non-hazardous waste generated. The types of final handling of waste are also monitored, where the operators who collect the waste confirm with a certificate the method of reuse, i.e. recycling.

## 4.7 Improvement of the safety management system

At the end of 2021, at the request of the service provider of North Macedonia (M-NAV), SMATSA experts in the field of safety management conducted a Safety Survey and compliance of the implemented Safety Management System M-NAV with regulatory requirements EU No 1035/2011.





## 4.8 Improvement of the organizational performance and resource management system

In order to improve the organizational performance, intensive work continued on the implementation of the information system for the corporate business of SMATSA.

During 2021, a lot of effort was put into creating a software solution for planning and monitoring business implementation, whose final implementation and commissioning is expected in 2022. In addition, shared catalogs and services were developed as a basis for establishing a central integration process, which is prerequisite for the successful implementation of the new information system of SMATSA.

## 4.9 Development and improvement of the human potential

During the year 2021, the employees within SMATSA, by engaging and adopting timely procedures, were of great importance in providing support in the process of suppressing the spread of COVID-19. In order to prevent the spread of the COVID-19 infection, the following activities were carried out:

- preparation of proposals for measures to prevent the spread of COVID-19;
- preparation of appropriate decisions on the basis of which the adopted measures were implemented;
- keeping records and monitoring of the health status of employees who were infected or were in close contact with infected persons;
- providing expert assistance in order to improve measures to prevent the spread of COVID-19.

Regarding the improvement and realization of the process of creating organization documents and systematization, during January 2021, the creation of the database/electronic version of the Catalog of Tasks and the Catalog of Jobs was completed.

Activities such as determining the methods and principles of updating the electronic version of the organization and systematization documents have been postponed due to the outbreak of the COVID 19 pandemic.

Establishing a methodology for raising the level of employee satisfaction is postponed for next year, as well as the definition of subjects and methods of reporting within the Development and implementation of methods that will continuously collect information on employee satisfaction.

During 2021, a fatigue management system was established, as well as identifying the causes and dangers of fatigue.

Activities such as the establishment of a methodology for raising the level of employee satisfaction, the development and implementation of methods for collecting data on work errors and their analysis, and defining the methodology for collecting data on errors in the working environment have been postponed due to insufficient information collected based on event reporting and data processing, received at the end of 2021.



During November 2021, data regarding the identification of the sources, causes and most common types of errors in the working environment were received, which led to the postponement of the deadline for the development of procedures on the management of errors in the working environment, the implementation of the methodology for the analysis of the collected data and the development of proposals for preventive measures to minimize occurrence of errors. The deadline for the start of the implementation of these activities has been postponed until next year.

## 4.10 Business performance indicators

### 4.10.1 Operational Compliance with SES Performance Scheme

#### 4.10.1.1 Safety

The status of the air navigation service provider's safety management system is based on the monitoring of safety indicators (SMS indicators) defined within the Performance Scheme, which is used to evaluate:

1. Efficiency of safety management system;
2. Level of use of RAT methodology and
3. The level of application of the culture of equity and trust (Just Culture).

Given that the regulation related to the SES Performance Scheme is not yet binding for the Republic of Serbia and Montenegro, the SMS indicators are monitored in order to prepare for the implementation of the regulation into the legal system, which is expected in the coming period.

The level of security in the SMATSA system is based on the assessment and monitoring of security indicators established in different parts of the system, in accordance with the acceptable level of security defined by the Civil Aviation Directorate of the Republic of Serbia and the Civil Aviation Agency of Montenegro. The values of safety indicators for 2021 are presented in the following tables.





Table 3. Target and accomplished values of SMS indicators at the request of CAD for 2021

A group of SMS indicators		Accomplished safety level
I.1.	<i>SMS Effectiveness</i>	1. Management of safety policy and safety objectives; <b>D</b> 2. Management of safety risks; <b>D</b> 3. Safety guarantees; <b>D</b> 4. Improvement of safety; <b>D</b> 5. Safety culture. <b>B</b>
I.2.	<i>Application of RAT Methodology</i>	1. Infringement of safe aircraft separation: 1. RAT A4; YU-BSR/GZP9631 01/07/2021 2. RAT B2; QTR84K/WUK1196 06/09/2021 3. RAT C2; YU-DPM/ASL38R 21/06/2021 4. RAT C4; VV/ ASL16T 21/06/2021 5. RAT C5; YU-DDI/FDB9YD 21/07/2021 6. RAT C3; YU-PZM/SWR199E 24/07/2021 7. RAT C4; CFG5XV/ASL38B 31/08/2021 8. RAT C5; KLM1906/AFR91QD 06/09/2021 9. RAT C5; TRK8/Z3-MKD 04/11/2021 10. RAT C4; ASL98A/ASL73F 05/11/2021 11. RAT C2; YU-DSU/YU-DSR 20/10/2021 12. RAT C3; ASL18W/QTR31J 08/11/2021
I.3.	<i>Application Just Culture (Safety Culture)</i>	<b>B</b>

Table 4. Target and accomplished values of safety indicators as requested by CAD for 2021

A group of ATM impact event severity indicators at the SMATSA level		Accomplished and Acceptable safety level
I-4	<i>ATM caused Accidents</i>	Zero (0) ATM-influenced accidents <i>an acceptable value is 0.0030</i>
I-5	<i>ATM caused Serious Incidents</i>	Zero (0) serious ATM-influenced accidents <i>an acceptable value is 3 Alarm 2</i>
I-6	<i>ATM caused Major Incidents</i>	One (1) major ATM-caused accident <i>an acceptable value is 15 Alarm 11</i>
I-7	<i>ATM caused Significant Incidents</i>	Five (5) significant ATM-caused accidents <i>an acceptable value is 30 Alarm 22</i>



Table 4. Target and accomplished values of safety indicators as requested by CAD for 2021

A group of ATM impact event severity indicators at the SMATSA level		Accomplished and Acceptable safety level
I-8	Number of RWY/TWY Incursion ATM caused	(0 RWY) (1 TWY) 5
I-9	Number of RWY Excursion ATM caused	(0) 5
I-10	Number of Separation Minima Infringement and Inadequate separation of ATM caused in the area of responsibility of ATCC Belgrade (ACC + TER)	(5) 15
I-11	Number of Separation Minima Infringement and Inadequate separation ATM caused in the area of responsibility of airport ATC	(3) 10
I-12	Number of Airspace infringement ATM caused	(0) 15
I-13	Other ATM caused events category C and above (such as Missed approach / go-around/ Rejected T/O etc.)	(0) 25
Group of CNS indicators (ATM specific events)		Accomplished and Acceptable safety level
I-14	Number of DPS failures (TopSky system)	0 breakdowns per year on average <8 events (failures) per year
I-15	Total duration of outage of SSR radar stations	The value of the indicator is 1.82 min <500 minutes per year
I-16	Total duration of PSR radar stations outage	the value of the indicator is 46.75 min <2000 minutes per year
I-17	MTBO - mean time between failures LLZ of ILS 12 (CAT III)	MTBO[h]= 8760 >4,500 hours per year
I-18	MTBO - mean time between failures LLZ ILS 30 (CAT I)	MTBO[h]= 2918 > 1,500 hours per year
I-19	The number of losses or degradation of one or more operating frequencies	on average 5.66 service interruptions on an annual basis <50 events per year
Group ASM-ATFCM capacity indicators		Accomplished and Acceptable safety level
I-20	FUA - Utilization percentage of requested airspace allocations (Percentage of used requests for airspace allocation as compared to their total number)	76,04 % Values are not prescribed, but the trend is monitored.
I-21	Average Delay per IFR Average Delay per IFR Movement in FIR Belgrade generated by ATM	0.00554 minutes per IFR Movement <0.1 minutes/ IFR Movement



Table 5. Acceptable and Accomplished safety (process) indicators for the year 2021 as requested by CAA

Events with direct ATM impact (Group of ATM Indicators)		Accomplished	Fulfilled / not fulfilled acceptable safety level
SI.1	ATM caused Accidents	Zero (0) accidents ATM caused	0.0029
SI.2	ATM caused Serious Incidents	Zero (0) ATM caused Serious Incidents	2 Alarm 1
SI.3	ATM caused Major Incidents	Zero (0) ATM caused Major Incidents	24 Alarm 18
ATM specific events (Group of CNS indicators)		Accomplished	Fulfilled / not fulfilled acceptable safety level
SI.4	Number of losses or degradation of one or more operating frequencies (ground-to-air)	3 service losses on an annual basis	FULFILLED
SI.5	Availability of the monitoring function of the operation of SSR radar stations	Koviona - without interruption Murtenica - 1.22 minutes Koševac - without interruption Srpska Gora - without interruption	FULFILLED
SI.6	Availability of the monitoring function of PSR radar stations	Koviona 0.27 minutes Murtenica 70.93 minutes Srpska Gora - without interruption	FULFILLED
SI.7	Availability of data processing and distribution functions	0 failures	FULFILLED
SI.8	Availability of navigation function LOC TIV	there was no failure - MT-BO[h]= /	FULFILLED
SI.9	Availability of energy systems	There was no complete interruption of the power supply to operating devices (Availability 100%)	FULFILLED
SI.10	Endangering the safety (security) of the ATM system	Laser jamming - 6 Unacceptable behavior of passengers in the aircraft - 3	MONITORED



Table 6. Acceptable and Accomplished values of risk indicators of operations as requested by CAA for 2021

RISK	SPI	Current value	Unacceptable value
<b>Total Performance</b>	<i>CAT Fatal Accidents</i>	0	>0
	<i>GA Fatal accidents</i>	0	>0
<b>Runway Excursion</b>	<i>Para Fatal accidents</i>	0	>0
	<i>CAT Serious incidents</i>	0	>0
	<i>CAT Ground accidents</i>	0	>0
	<i>Unstabilized approach</i>	7	^
	<i>Rejected take off</i>	1	3+
	<i>Deep landing events</i>	0	3+
	<i>Other abnormal runway contact</i>	0	3+
	<i>Adverse weather in approach causing MA</i>	0	^
	<i>Relevant tech: Landing gear /trust reversers/ flaps malfunction / brakes</i>	6	3+
	<i>(E)GPWS warning Terrain warning</i>	0	^
	<i>Glide Slope deviation</i>	0	3+
	<i>Incorrect altimeter settings</i>	0	3+
	<i>Position / navigation errors</i>	0	3+
	<i>Map /charts / FMS errors</i>	0	3+
<b>CFIT Control Flight into Terrain</b>	<i>Relevant Tech: e.g. RADALT</i>	0	3+
	<i>Below MSA</i>	0	3+
	<i>Level bust</i>	0	3+
	<i>ACAS / TCAS warning</i>	0	^
	<i>Airspace infringement</i>	3	^
<b>MAC Midair Collision</b>	<i>(Hi Risk) Loss of Separation</i>	2	3+



Table 6. Acceptable and Accomplished values of risk indicators of operations as requested by CAA for 2021

RISK	SPI	Current value	Unacceptable value
<b>LOC-I</b> <i>Loss of Control – In flight</i>	<i>Overspeed or low speed event</i>	0	^
	<i>Turbulence, wake vortex, wind shear, thunderstorm, lightning strike</i>	0	^
	<i>Icing, anti-icing</i>	0	3+
	<i>Weight and balance errors</i>	0	3+
	<i>Flight control system failures</i>	0	3+
	<i>Abnormal state of aircraft (attitude, bank, pitch, configuration)</i>	0	3+
	<i>Relevant tech: e.g. FCS, technical occurrences</i>	29	3+
<b>Runway Incursion</b>	<i>Birdstrike</i>	41	^
	<i>Animals on rwy</i>	2	^
	<i>Aircraft on rwy</i>	0	3+
	<i>Vehicle / person on rwy</i>	0	3+
<b>Aircraft Unsafe Environment</b>	<i>Fire or smoke in the aircraft</i>	0	3+
	<i>Decompression</i>	0	3+
<b>External Interference</b>	<i>Lasers</i>	6	3+
	<i>Drones</i>	0	3+
	<i>Cyber security</i>	0	3+
<b>ATM technical</b>	<i>Occurrences related to CNS</i>	1	^
<b>GA – General Aviation</b>	<i>Accidents (non fatal)</i>	0	^
<b>Paraglider</b>	<i>Accidents (non fatal)</i>	0	^



### 4.10.1.2 Cost efficiency

The unit rate for the charging zone “Serbia-Montenegro-KFOR” for the year 2021 was approved and adopted at the EUROCONTROL’s Enlarged Committee session in November 2020. The EUROCONTROL’s Enlarged Committee session No 20/166 of 26 November 2020 (Appendix 2), determined the amount of the unit rate at EUR 41.45 (National Unit Rate) and EUR 41.74 (*Global Unit Rate*), which includes the EUROCONTROL administrative fee.

Unlike previous years, in 2021 there was no deviation in the value of the monthly adjusted unit rate, both for the “Serbia-Montenegro-KFOR” charging zone (EUR 41.45), and for the value of the unit rate, which belonged exclusively to SMATSA (34.66 EUR). This is primarily a consequence of the minimal oscillation in the movement of the RSD exchange rate in relation to the EUR in the last year.

### 4.10.1.3 Capacity

The capacity indicator evaluates the efficiency of service provision in the area of responsibility of the service provider in air navigation. Efficiency is evaluated based on the average delay time per IFR flight in FIR Belgrade generated by ATM. The indicator includes all IFR flights in FIR Belgrade, for which the delay generated by the operation of the air navigation service provider is determined. The value of the indicator is calculated from the data on the delay and the total number of flights. The indicator is expressed as an absolute value and is monitored on an annual basis.

Capacity indicators and their acceptable values were defined by the aviation authorities of the Republic of Serbia at the national level in the document of the Civil Aviation Directorate of the Republic of Serbia, “Air navigation in the Republic of Serbia, safety and capacity indicators and acceptable safety levels until 2021”.

The acceptable and accomplished value of the capacity indicator for 2021 is listed in the following table.

Table 7. Values of capacity indicators in 2021 <sup>3</sup>		
Capacity indicator	Acceptable value	Accomplished value
Average delay time per IFR flight in FIR Belgrade generated by ATM	<0.1 minute/ IFR flight	0.01 minutes/ IFR flight

<sup>3</sup> Data source: European ANS Performance Data Portal (<http://ansperformance.eu/>).



Figure 16.

Average delay time per IFR flight in FIR Belgrade generated by ATM in the period from 2015 through 2021

#### 4.10.1.4 Environmental Protection

The assessment of the level of environmental protection is based on the average efficiency of the horizontal flight, indicator recognized in the regulations concerning the Performance Scheme under the Single European Sky regulation. The achieved values of the aforementioned indicators are monitored based on EUROCONTROL – Performance Review Unit (PRU) data.

The target values of the indicators are defined as follows:

1. Indicator of deviation of the actual flight path in relation to the long-circuit route (KEA – *Key performance Environment indicator based on Actual trajectory*). The average horizontal flight efficiency represents a deviation of the actual flight path of 2.6% in relation to the long-circuit route.



Figure17.

KEA – indicator of the deviation of the actual flight path in relation to the the long-circuit route in Serbia and Montenegro in 2021<sup>4</sup>

- Indicator of deviation of the path in the last filed flight plan in relation to the the long-circuit route (KEP – *Key performance Environment indicator based on last filed flight plan*). The average horizontal flight efficiency represents a deviation of the last submitted flight path of 4.1% in relation to the the long-circuit route..



Figure 18.

KEP – indicator of deviation of the path in the last submitted flight plan in relation to the path along the long-circuit route in Serbia and Montenegro in 2021<sup>5</sup>

<sup>4</sup> Data source: European ANS Performance Data Portal (<http://ansperformance.eu/>)

<sup>5</sup> Data source: European ANS Performance Data Portal ( <http://ansperformance.eu/> )



## 4.10.2 Indicators of the quality of services provided

The analysis of the quality objectives of SMATSA is carried out on an annual basis. The results of the analysis of the fulfilment of the quality objectives for 2021 are presented in the meeting of the Management Systems Committee (QMS)..

Table 8. Analysis of the fulfillment of quality objectives for the year 2021

Service	Target	Planned	Realized	Details
ATM	Average delay per IFR flight generated by SMATSA on an annual basis	Less than 0.095 minutes	YES	According to the source of the EUROCONTROL NMOC database (Traffic and Delay per Country) in 2021, the average delay per one IFR flight generated by SMATSA was 0.00554 minutes (a total of 2,538 minutes for 458,380 flights).
	The percentage of aircraft that take off from the jurisdiction of SMATSA within the time tolerance of the issued slot	Greater than 83%	YES	According to the source of the EUROCONTROL NMOC database (Daily Slot Adherence to ATFM Slots per ADEP) in 2021, the value of 91.2% of aircraft that take off from the jurisdiction of SMATSA within the time tolerance of the issued slot was achieved, on an annual basis.
	The number of serious incidents, which were determined by analysis to have been caused by ATM	Less than 5	YES	An inspection of the event database maintained in SAF.00 for the year 2021 found that a total of 480 events were reported, of which 22 required further analysis by the SAF.00 department. In the same period, one aircraft accident was recorded without the influence of ATM. Two serious incidents occurred in 2021. There were no serious incidents with the influence of ATM.



Table 8. Analysis of the fulfillment of quality objectives for the year 2021

Service	Target	Planned	Realized	Details
<b>CNS</b>	System availability of technical devices and systems within the jurisdiction of SMATSA that directly affect the provision of services	A(t) = 99.9%	YES	In the procedure Monitoring the state of technical devices, systems and services, CNS.PROC.009, the overall availability (when the calculation takes into account failures, planned shutdowns and external factors) and the system availability (when the calculation takes into account only failures) are defined). Despite the mentioned exceptions in the deviation from the desired values of system availability for systems under the jurisdiction of SMATSA, and due to the applied individual and group redundancy of CNS devices and systems during 2021, it can be considered that for all devices, systems and services that directly impact the provision of services, the goal of quality in the CNS domain was met.
<b>MET</b>	Airport Forecast Accuracy (TAF)	According to ICAO Annex 3, Attachment B	YES	The results of the analysis of the realization of forecasts for the airport (TAF): for LYBT 91.54%, for LYBE 92.93%, for LYVR 87.91%, for LYKV 91.21%, for LYNI 92.21%, for LYUZ 87.45%, for LYPG 96.48%, for LYTV 93.78%, that is, on average for all airports 91.70%, which achieved the desired operational accuracy given in ICAO Annex 3, Attachment B.
<b>AIS</b>	Data Quality Assessment (Q)	Greater than 0.77	YES	Quality assessment was conducted on a sample of 100 data. The average grade for this sample is 0.984.
<b>TRE</b>	The realization of the number of hours of theoretical teaching for the current year for each enrolled group of candidates in the ANS Staff Training Center	100%	YES	The practical training classes were implemented in accordance with the relevant Decisions for conducting the training.
	Accomplishment of the number of hours of practical training for the current year for each enrolled group of candidates at the ANS Staff Training Center	100%	YES	The practical training classes were implemented in accordance with the relevant Decisions for conducting the training.



Table 8. Analysis of the fulfillment of quality objectives for the year 2021

Service	Target	Planned	Realized	Details
ATO	The percentage of realized theoretical teaching hours in relation to the planned number of hours for the current year for each group of candidates in the SMATSA Aviation Academy	100%	NO	After the takeover of the SMATSA Aviation Academy, the monitoring of the scope of the fulfillment of the quality objectives for the ATO domain was suspended.
	Meeting the planned deadlines for the completion of theoretical training for the current year at the SMATSA Aviation Academy	100%	NO	
	The percentage of realized flying hours in relation to the planned number of flying hours for the current year for each enrolled group of candidates at the SMATSA Aviation Academy	100%	NO	
	Compliance with the planned deadlines for the completion of flight training for the current year in SMATSA Aviation academy	100%	YES	



Table 8. Analysis of the fulfillment of quality objectives for the year 2021

Service	Target	Planned	Realized	Details
<p><b>CAL</b></p>	<p>Implementation of the annual calibration plan</p>	<p>100%</p>	<p>YES</p>	<p>The annual calibration plan by means was 110% achieved. A total of 292 calibrations were carried out, of which 266 calibrations according to the annual plan and 26 extraordinary calibrations. Out of the total number of calibrations (292), 163 were realized according to contracts with external users.</p>
<p><b>MO</b></p>	<p>Fulfillment of operational standards expressed in percentages in relation to the standards prescribed by the aircraft manufacturer</p>	<p>100%</p>	<p>YES</p>	<p>After the takeover of the SMATSA Aviation Academy, the monitoring of the scope of the fulfillment of the quality objectives for the MO domain was suspended.</p>
<p><b>MO</b></p>	<p>Maximum «Down Time» due to technical malfunction of the aircraft used by the SMATSA Aviation Academy on an annual basis</p>	<p>Less than 120 working days</p>	<p>YES</p>	



### 4.10.3 Additional performance indicators

In addition to performance indicators included in European and domestic regulations and quality objectives, SMATSA monitors the success of certain business areas based on internally determined business indicators. The values of additional indicators in relation to the set goals are shown in the following table.

Table 9. Additional performance indicators in 2021		
Indicators	Target value for 2021	Accomplished
<b>STO 01 – Improvement of ANS management</b>		
Number of overloads reported by air traffic controllers	< 20 per year	0
Observance of slots at Belgrade Airport (LYBE)	> 83%	89.1%
Observance slots at Tivat Airport (LYTV)	> 83%	96.8%
Observance of slots at Podgorica Airport (LYPG)	> 83%	99.3%
Observance of slots at Niš Airport (LYNI)	> 83%	98.0%
AIS quality assessment	> 0.77	0.948
Number of complaints from users of AIS services	< 10 per year	7
<b>STO 03 – Development of competitive commercial services</b>		
Number of projects linked to SESAR	> 1	2
Number of meetings held per year with air traffic control representatives in the area	> 2	6
Number of projects within centralized services	> 2	N/A
<b>STO 04 – Improvement of corporate social responsibility and environmental protection</b>		
The percentage of the amount of waste that is submitted to some form of reuse or recycling in relation to the total amount of waste	60%	90%
<b>STO 06 – Improving the organizational performance and resource management system</b>		
Realization of the procurement plan	>80%	
<b>STO 07 – Improvement and development of human potential</b>		
Average number of days per year per employee spent at conferences or creative workshops	> 1,5	
Average number of days per year spent on training for operational jobs (expressed per person)	> 3	



05



# Information Technology

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Within the framework of information technologies, a large number of activities were implemented in 2021 that contributed to process automation, data and corporate network protection, and simplification of daily activities and jobs.

The locally developed application “Business Planning of SMATSA” was improved during the year with new functionalities, such as: generating the annexes to the Business Plan and reports for the procurement plan, time shifting of milestones and contract subjects, display of the user who created and last changed the dependent cost in the application, sorting and filtering tabular views of costs and investments, etc.

Within the framework of developing SMATSA Information System, the following components were actively worked on during the year:

- Doculibrium – electronic office and workspaces;
- Planning and monitoring of business implementation – participation in the team for implementing solutions and information infrastructure;
- CIP – creation of shared catalogs, creation of services and user authorization and authentication.

In order to improve the sending of AIS publications in electronic form, a website was created for hosting documentation and is service-connected to the application. The application has been expanded with functionalities required for the administration and activation of user accounts and the creation of user groups .

The application for viewing and entering frequencies – an external computer application (X11) has been upgraded to display the frequencies of active sectors of adjacent air traffic controls at the controller positions of the TopSky-ATC system and the frequency entry process at the FDA position has been automated.

Within the “Forms” application, the form List of handover of duties for the sector has been changed and electronic filling of form ATM.FORM.019 has been enabled.

The application used for parts registration has been improved with new functionalities:

- User notification (users have the possibility to set alarms-reminders for certain events in the system);
- The mechanism for importing data from excel files of arbitrary format – the purpose of the functionality is to facilitate input when purchasing a larger set of parts and consumables.



Regarding network and system services within SMATSA, the following activities were carried out during the year:

- Testing with Telekom and transition from ISDN network to SIP trunking connection;
- Improvement and replacement of outdated network devices on the METEO network;
- Installation of new network devices for connecting the METEO and Admin networks to the SMATSA IP network;
- Preparation of the existing VoIP system for the transition to the new version;
- Modernization of SMATSA data center software to the latest version of computer virtualization management software and container;
- Procurement and installation of a new data storage system in order to expand the capacity of the data center;
- Migration of hypervisors of VDI computers from the Xencentar 7.x platform to Xcp-NG 8.x hypervisors;
- Upgrade of the messaging system between CADAS and the EAD system (EAD BFBBox)





06



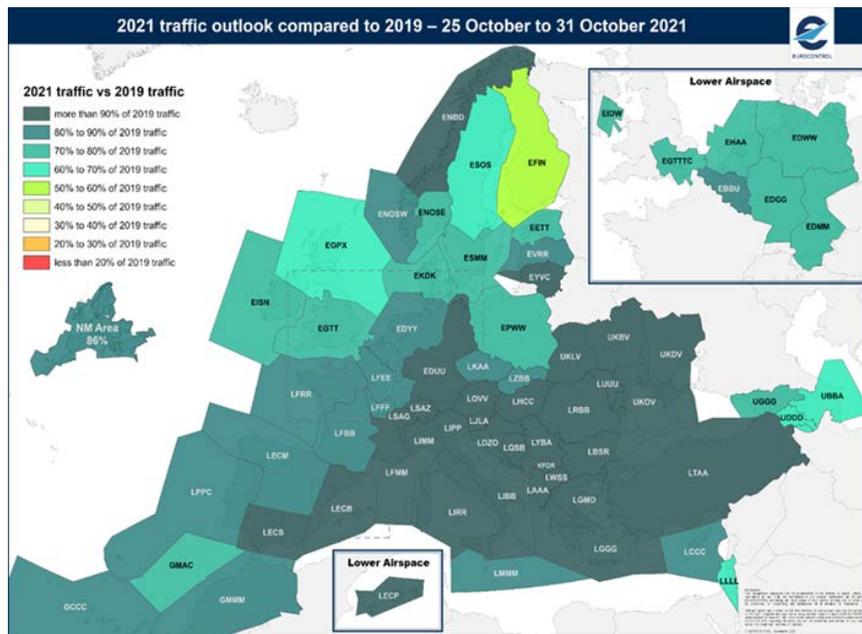
# Consultations with Service Users



## 6.1 Air traffic management – ATM

In a year marked by recovery from the consequences of the pandemic, in addition to the existing restrictions on movement and travel, there was a modest recovery in the number of aircraft operations (the total number of IFR operations in the area of responsibility of SMATSA reached 62% of the number of operations compared to 2019). Such reduced traffic demand meant that no service provider exceeded the 0.1 minute delay limit per IFR flight, and consequently there were again no formal reports from service users (IATA, A4E, AIRE) about the last summer season.

Regardless of, as one might conclude at first glance, the relatively weak recovery of air traffic, EUROCONTROL still prepared an analysis of the summer season for the RND-SG/104 meeting. Attention was drawn to a part that is not an integral part of the report but was presented as part of the presentation.



The slide referred to the analysis of traffic demand in the last week of October compared to the same period in 2019 (traffic demand in the jurisdiction of SMATSA was over 90% of traffic demand from 2019). EUROCONTROL representatives further emphasized that the traffic recovery began with the beginning of the summer season in 2021, but did not stop there. Although the total number of IFR operations decreased with the beginning of autumn, the number of operations in Southeast Europe remained very close to the number of operations from 2019. Such trends in traffic demand indicated the need for quality preparation for the next summer season throughout Europe with an emphasis on service providers in France, Germany and Greece that generated 84% of all delays in Europe.

The EUROCONTROL report also shows data on the increase in the value of the success indicator of increasing flight efficiency (KEA – the ratio between the shortest distance from the take-off airport to the landing airport in a long-circuit route and the trajectory that the aircraft actually flew and KEP – the ratio between the shortest distance from the take-off airport to landing airports in a long-circuit route and the trajectory that is filled in the flight plan) which could be expected due to the increase in the number of operations. In accordance with its strategic commitment, SMATSA continued with activities aimed at increasing flight efficiency, i.e. reducing the value of the mentioned indicators. As part of these activities and as a representative delegated by partners from the SECSI initiative, SMATSA dedicated the year 2021 to the expansion of the SECSI FRA area, including the area of responsibility of service providers in North Macedonia and Albania. The SECSI FRA expansion project was successfully implemented on December 2, 2021.

In December 2021, a regular consultation process was carried out with other users of services/functions from the ATM domain (sports and amateur flying, commercial aviation, legal and natural persons, military, police, etc.), by sending an email to interested parties with a link to the satisfaction questionnaire on provided ATM services/functions during 2021. Five users submitted a completed questionnaire, while users ToMontenegro and the 98th Aviation Brigade of the Serbian Army also submitted comments/suggestions.



## 6.2 Aeronautical Information Services – AIS

The analysis of the user satisfaction survey was carried out on the basis of quarterly reports on the quality of data from SDO, PAMS and INO applications of the European AIS Data Base (EAD), user complaints and on the basis of the User Satisfaction Questionnaire – AIS.FORM.122.

The trend of errors in EAD applications was analyzed for the period from the last quarter of 2020 to the third quarter of 2021. The analysis of published NOTAMs made quarterly by EAD in the period October 2020 – September 2021 included 563 NOTAMs. 11 errors were found, which is 0.92 errors per month. The cause of these errors is human error or disagreement with local practice, not inadequate procedures.

In accordance with the published method of contact in the event of observed errors or omissions (GEN 0.1, point 4) in aviation publications, the Aviation Information Service collected, analyzed and handled complaints in accordance with AIS.PROC.012 – Complaint Handling.

In the course of 2021, seven complaints were received in connection with the provision of aviation information services. The share of resolved complaints is 100%, i.e. all objections have been resolved.

The complaints mainly arose from improperly published or prematurely canceled NOTAMs. Only one complaint related to the published wrong data in the test PBN flight procedure, which is exclusively intended for the measurement needs of the Calibration Service, so it had no impact on safety. The analysis of complaints did not establish the existence of any systemic problem or the occurrence of complaints with a higher frequency.

By analyzing the submitted User Satisfaction Questionnaires for 2021, it was concluded that the users rated the provision of aviation information services with an excellent rating.

Twelve (12) completed User Satisfaction Questionnaires were received. The number of Questionnaires rated excellent is 8. Three (3) Questionnaires were rated very good, and 1 Questionnaire was rated good. No Questionnaire has been graded as satisfactory or poor.



## 6.3 Aeronautical Meteorological Services – MET

During 2021, no user comments and complaints were received regarding the provision of MET services via regular mail.

By inspecting the completed and submitted copies of the completed forms of the Book of Impressions of Aviation Users for the year 2021 from organizational units, in accordance with QM.PROC.007, point 4.3.1.1, surveying the satisfaction of users of MET services by means of a questionnaire, it was observed that all expressed user comments reflected user satisfaction with the provided MET services. Also, the cooperation with the meteorological staff was evaluated by the users as excellent.

In December 2021, in accordance with point 4.3.2 of procedure QM.PROC.007, a regular consultation process was conducted with other users of services from the MET domain (sports and amateur flying, commercial aviation, legal and natural persons, military, police, etc.), by sending an email to interested parties with a link to the web form Questionnaire on the quality of MET services. Only one user filled out the questionnaire, with content of an affirmative nature, so the MET.10 department had no need to analyze and take measures to improve MET services.

## 6.4 Airborne GRNS Calibration

The survey included 9 respondents from foreign contractors of airborne GRNS calibration services. The questions were answered by respondents who are directly responsible for the state of correctness and quality of work of all GRNS and respondents responsible for coordination in the implementation of airborne calibration.

The average quality rating of aerial calibration services is 4.97.

The GRNS calibration was carried out in the conditions of the COVID-19 pandemic, so in all cases, the coordination of activities in the implementation of airborne calibration was extremely important. Even in such conditions, all planned activities in 2021 were realized in full.

The annual analysis of the results of the survey in the form of the completed form CAL.FORM.041 is presented in the following table.



Table 10. Results of the survey on the satisfaction of users of airborne GRNS calibration services in 2021

Activity	Average rating
The degree of coordination of activities before, during and after the GRNS calibration	5,0
Quality of crew communication with the technical staff on the ground during the calibration of GRNS	5,0
Quality, completeness, and timeliness of reports on calibration of GRNS	5,0
Alignment of planned and realized activities	4,88
Response to additional requests	5,0
<b>AVERAGE RATING</b>	<b>4,97</b>

Based on the numerical ratings given in the table and the separate comments of three respondents, it can be concluded that the Calibration Service has performed airborne calibration services for the foreign client in a professional and quality fashion.





07



# Financial statements

## 7.1 Income Statement

Table 11. Income statement for the period from 1 January – 31 December 2021 (in 000 RSD)

	Elements (in 000 RSD)	2020 R	2021 Plan	2021 R	2021 R -P	2020-2021 R
<b>I</b>	<b>Operating income</b>	<b>4,375,538</b>	<b>6,401,830</b>	<b>7,548,612</b>	<b>17.9%</b>	<b>72.5%</b>
	Income from sale	4,145,648	6,172,716	7,335,480	18.8%	76.9%
	Domestic market	196,318	210,008	409,192	94.8%	108.4%
	Foreign market	3,949,330	5,962,708	6,926,288	16.2%	75.4%
	Other operating income	229,890	229,114	213,132	-7.0%	-7.3%
<b>II</b>	<b>Operating expenditures</b>	<b>8,817,318</b>	<b>8,742,927</b>	<b>8,672,757</b>	<b>-0.8%</b>	<b>-1.6%</b>
	Costs of material Fuel and energy	200,874	220,819	188,645	-14.6%	-6.1%
	Salaries, salary compensation and other personal expenses	5,765,175	5,223,000	5,221,370	0.0%	-9.4%
	Costs of production services	847,911	1,029,286	860,373	-16.4%	1.5%
	Depreciation	1,243,963	1,507,461	1,508,991	0.1%	21.3%
	Provisions	83,245	50,000	164,528	229.1%	97.6%
	Intangible costs	676,150	712,361	717,209	0.7%	6.1%
	Expenses from adjustment of property value	-	-	11,641	n/a	n/a
<b>III</b>	<b>Operating loss</b>	<b>-4,441,780</b>	<b>-2,341,097</b>	<b>-1,124,145</b>	<b>n/a</b>	<b>n/a</b>
<b>IV</b>	<b>EBITDA</b>	<b>-3,197,817</b>	<b>-833,636</b>	<b>384,846</b>	<b>n/a</b>	<b>n/a</b>
		-73.08%	-13.02%	5.10%	n/a	n/a
	Financial revenues	8,676	84,017	10,482	-87.5%	20.8%
	Financial expenditures	68,489	229,002	183,395	-19.9%	167.8%
	Other revenues	190,453	688,592	114,607	-83.4%	-39.8%
	Other expenditures	139,336	40,000	241,246	503.1%	73.1%
<b>V</b>	<b>Loss from regular operation before tax</b>	<b>-4,450,476</b>	<b>-1,837,490</b>	<b>-1,423,697</b>	<b>n/a</b>	<b>n/a</b>
	Net gain/loss of discontinued operation	10,220		-22,893	n/a	n/a
	Tax expenditure/revenue	17,999		134,192	n/a	n/a
<b>VI</b>	<b>Net loss</b>	<b>-4,422,257</b>	<b>-1,837,490</b>	<b>-1,312,398</b>	<b>n/a</b>	<b>n/a</b>



## 7.1.1 Operating revenue

Operating revenues are as much as 72.5% higher compared to 2020, while at the same time they are 17.9% higher compared to the planned value. This result is primarily a consequence of the significant recovery of air traffic in the latter half of 2021, i.e. the increase in income from unit rates and terminal charges, which also led to an increase in operating revenue.

### **Revenue from route charges:**

According to CRCO data, a total of 473,978 flights were invoiced in the En-route segment (overflights) in 2021, which is an increase of 41% compared to 2020, when 336,083 flights were invoiced. The largest number of flights was realized in the summer months, and a significant increase was achieved in the latter half of the year. The number of chargeable service units in 2021 in the charging zone Serbia/Montenegro/KFOR was 1,555,463, which is 33.2% more than in 2020, when 1,167,699 chargeable service units were realized. The reason for the smaller increase in service units than the number of flights in 2021 is the decrease in average flight length and average MTOW per flight in 2021. The unit rates in 2021 for the Serbia/Montenegro/KFOR charging zone amounted to 41.45 euros, compared to 31.01 euros in 2020 (an increase of 34%). Based on the realized number of flights, service units, unit rates and revenue distribution key among the entities participating in the cost base, in 2021, 53,900,090 euros of revenue from unit rates were invoiced for SMATSA, or 77% more than in 2020. The increase in the unit rates in 2021 did not affect the decrease in the number of flights in the Serbia/Montenegro/KFOR charging zone. In the period from July to October 2021, approximately the largest number of flights of all countries in the region was recorded in this airspace (in July and October, by far the largest number of flights of all countries in the region was realized, which had never been recorded before).

### **Income from terminal charges:**

In 2021, 33,773 departures were invoiced in the terminal, which represents an increase of 51% compared to 2020, when 22,339 departures were invoiced. 46% of invoiced revenue was realized from domestic airlines, while 54% from foreign airlines. Based on the realized traffic in the terminal in 2021, 8,432,464 euros was invoiced, or 63% more than in 2020 (5,174,645 euros). At the same time, the realized traffic in the terminal is 79% higher than planned.

### **Other operating income:**

This income group includes income from calibration, training of aviation personnel, EU funding, as well as the provision of radar data and radio communication services.

This group of income was smaller than planned due to the sale of the SMATSA Aviation Academy in Vršac, considering that the income from the provision of pilot training and aircraft maintenance services was not realized in the latter half of the year.



## 7.1.2 Business expenses

### **Material, fuel and energy costs:**

The realization of material, fuel and energy costs is 14.6% lower compared to 2020, i.e. 6.1% lower than the Financial Plan due to lower consumption of fuel and electricity. In addition, in order to preserve the Company's liquidity, the consumption of materials and spare parts was reduced to a minimum.

### **Salary costs :**

The realization of salary costs, salary compensation and other personal expenses is at almost the same level as the value in the Financial Plan for 2021, i.e. it is 9.4% lower compared to 2020. The gross value of the points on the basis of which employees' wages are calculated was reduced by 20% starting with the payment of wages for the month of October 2020 and remained in effect for a full 12 months (3 months in 2020 and 9 months in 2021).

As of October 2021, the point value has returned to the same level as before the start of the COVID-19 pandemic. The reduced realization of salary expenses, salary benefits and other personal expenses in 2021 was also slightly affected by the suspension of the allocation of monetary amounts as per voluntary pension insurance, as well as the reduction of the total number of employees due to the takeover of the SMATSA Aviation Academy by the Ministry of Education and regular/natural employees outflows. The Company started the business year with 902 employees, and ended the year with 854 employees, which is a decrease of 5.3%.

### **Costs of production services:**

The costs of production services are slightly higher (1.5%) compared to 2020, while on the other hand they are 16.4% lower compared to the planned value. Fixed costs, such as system and equipment maintenance costs, make the majority of expenditures in this position. The reduction in the cost of production services is the result of the later conclusion of the contract compared to the planned date, that is, a smaller financial allocation per this basis compared to the plan. In addition, in the course of 2021, there was a change in the contract related to the lease of land in Niš regarding the reduction of the originally contracted amount and the payment schedule, which was prolonged and extended until August 2022.

### **Depreciation costs:**

Depreciation costs are also at the same level as the planned value, but at the same time they are 21.3% higher compared to 2020, primarily due to the application of the International Financial Reporting Standard 16 (IFRS 16), as well as changes related to the valuation of assets. Starting in 2021, the Company is obliged to apply the accounting standard IFRS 16, which, among other things, recognizes part of the costs of long-term leases through depreciation costs.

### **Provision costs:**

In 2021, an assessment of provisions was made on 31.12.2021. based on severance pay (35,877 thousand dinars), jubilee awards (100,952 thousand dinars) and costs of court disputes (27,699 thousand dinars). Also, the previously calculated long-term provisions for severance pay (7,150 thousand dinars) and jubilee awards (2,117 thousand dinars) for employees of the SMATSA Aviation Academy were cancelled, as well as for the costs of



court disputes in the amount of 6,066 thousand dinars. As an effect of the actuarial calculation, an actuarial loss in the amount of RSD 80,806 thousand was recorded.

***Non-production costs:***

Non-production costs, which basically refer to property insurance, motor vehicle insurance, general liability insurance from the activity, employee insurance, hygiene costs in facilities, representation costs and allocations for contribution to Eurocontrol, are almost at the same level as the value in the Financial Plan for the year 2021, while they are slightly more than 6% above the results from 2020. The reasons for slightly higher costs in this position in 2021 are primarily the result of a reduced amount based on the Eurocontrol contribution in 2020.

***Expenses from adjustment of property value:***

In 2021, the company hired the University of Belgrade – Faculty of Economics to perform a fair value assessment.

In accordance with the provisions of the contract, the bidder, University of Belgrade – Faculty of Economics, prepared and submitted a Report on the assessment of the fair value of the assets of SMATSA with the balance as of January 1, 2021. (No. FIN.00-162/1 dated February 23, 2022).

As a result of the assessment, in addition to other effects, an effect was also recorded on the position of the Income Statement – Expenses from property value adjustment in the amount of 11,641 thousand dinars.

***Other expenses:***

In the position other expenses, an amount of 199,434 thousand dinars was recorded, which mostly includes: expenditure based on the sale of the Pilot Academy in Vršac in the amount of 181,157 thousand dinars, direct write-off of receivables in the amount of 13,129 thousand dinars, losses based on the sale of assets in the amount of 3,354 thousand dinars, losses based on the sale of materials in the amount of 448 thousand dinars, costs of disputes in the amount of 341 thousand dinars.

***Loss from Discontinuing Operations:***

In this position of the income statement, a negative net effect (higher expenses than income) was recorded on the result based on the losses of the business that was discontinued, changes in accounting policies and corrections of errors from earlier years, in the amount of 22,893 thousand dinars based on the subsequently received documentation from earlier years. The amount of 15,555 thousand dinars was recorded on the income position from earlier years, and the amount of 38,448 thousand dinars was recorded on the expenditure position from earlier years.

***Net result:***

The net result was negative and amounted to 1,312,398 thousand dinars as a consequence of significantly lower volume of traffic in the first half of the year. In the financial plan for 2021, a loss of 1,837,490 thousand dinars is planned. The smaller than planned net loss is primarily due to the better realization of business revenues, which are 17.9% higher than the planned value.



## 7.2 Balance Sheet

Table 12. Balance Sheet on 31 December 2021 (in 000 RSD)

	Assets (in 000 RSD)	2016 Realization	2017 Realization	2018 Realization	2019 Realization	2020 Realization	2021 Realization
<b>Fixed assets</b>		<b>12,920,482</b>	<b>14,241,070</b>	<b>14,967,560</b>	<b>15,850,968</b>	<b>16,959,726</b>	<b>18,820,530</b>
I	Intangible investment	83,035	90,120	90,966	112,868	84,545	66,544
II	Buildings, plants and equipment	12,837,447	14,150,950	14,876,594	15,738,100	16,875,181	18,753,986
III	Long-term financial investments	-	-	-	-	-	-
	<b>Long-term claims</b>	-	-	-	-	-	1,121,554
<b>Working assets</b>		<b>4,466,488</b>	<b>3,840,375</b>	<b>3,108,257</b>	<b>3,369,062</b>	<b>2,747,661</b>	<b>4,840,216</b>
I	Stocks	163,013	179,077	177,095	156,878	114,850	73,711
II	Claims based on sale	1,429,641	1,483,012	1,362,005	1,659,235	1,208,021	1,619,367
III	Other claims	161,758	20,088	14,962	219,234	117,452	66,915
IV	Short-term financial investment	-	-	-	-	-	-
V	Cash equivalents and cash	2,629,516	1,969,208	1,427,318	1,169,259	1,157,483	2,939,824
VI	Short-term Prepayments and deferred expenses	82,560	188,990	126,877	164,456	149,855	140,399
	<b>Total assets</b>	<b>17,386,970</b>	<b>18,081,445</b>	<b>18,075,817</b>	<b>19,220,030</b>	<b>19,707,387</b>	<b>24,782,300</b>
	Off-balance sheet assets	716,454	885,440	837,082	878,755	2,206,026	1,828,281
	Liabilities (in 000 RSD)	2016 Realization	2017 Realization	2018 Realization	2019 Realization	2020 Realization	2021 Realization
<b>Capital</b>		<b>12,783,828</b>	<b>14,148,794</b>	<b>14,148,874</b>	<b>14,258,882</b>	<b>9,899,696</b>	<b>8,740,197</b>
I	Original capital	1,873,820	1,873,820	1,873,820	1,873,820	1,873,820	1,873,820
II	Reserves	507,044	507,044	507,044	507,044	507,044	507,044
III	Revaluation reserves	2,869,560	3,431,245	3,418,341	3,385,720	3,346,892	3,384,475



Table 12. Balance Sheet on 31 December 2021 (in 000 RSD)

	Liabilities (in 000 RSD)	2016 Realization	2017 Realization	2018 Realization	2019 Realization	2020 Realization	2021 Realization
IV	Retained profit	7,514,952	8,362,953	8,408,630	8,548,244	4,171,940	3,056,052
V	Non-realized gains/losses	18,452	-26,268	-58,961	-55,946		-81,194
	<b>Long-term provisions and liabilities</b>	<b>2,197,094</b>	<b>1,693,535</b>	<b>2,207,996</b>	<b>2,901,531</b>	<b>6,822,850</b>	<b>12,388,157</b>
I	Long-term provisions	743,857	818,786	916,198	935,665	789,563	913,452
II	Long-term liabilities	1,453,237	874,749	1,291,798	1,965,866	6,033,287	11,474,705
	<b>Deferred tax liabilities</b>	<b>534,195</b>	<b>598,471</b>	<b>589,101</b>	<b>588,749</b>	<b>566,238</b>	<b>435,487</b>
	<b>Short-term liabilities</b>	<b>1,871,853</b>	<b>1,640,645</b>	<b>1,129,846</b>	<b>1,470,868</b>	<b>2,418,603</b>	<b>3,218,459</b>
I	Short-term financial liabilities	820,956	483,653	430,982	204,739	39,684	1,581,783
II	Received advances	167,954	210,592	141,051	136,040	118,777	20,566
III	Liabilities from operation	337,304	471,995	502,897	592,253	1,138,348	753,631
IV	Other short-term liabilities	539,957	471,352	49,946	506,979	1,093,010	836,094
VI	Short-term Accrued liabilities	5,682	3,053	4,970	30,857	28,784	26,385
	<b>Total liabilities</b>	<b>17,386,970</b>	<b>18,081,445</b>	<b>18,075,817</b>	<b>19,220,030</b>	<b>19,707,387</b>	<b>24,782,300</b>
	Off-balance sheet liabilities	716,454	885,440	837,082	974,419	2,206,026	1,828,281



Fixed assets on 31.12.2021. amount to 18,820,530 thousand dinars, which is almost 11% more than the previous year. This is largely the result of ongoing large investments within the SUSAN program, which are mostly financed by EIB and EBRD loans.

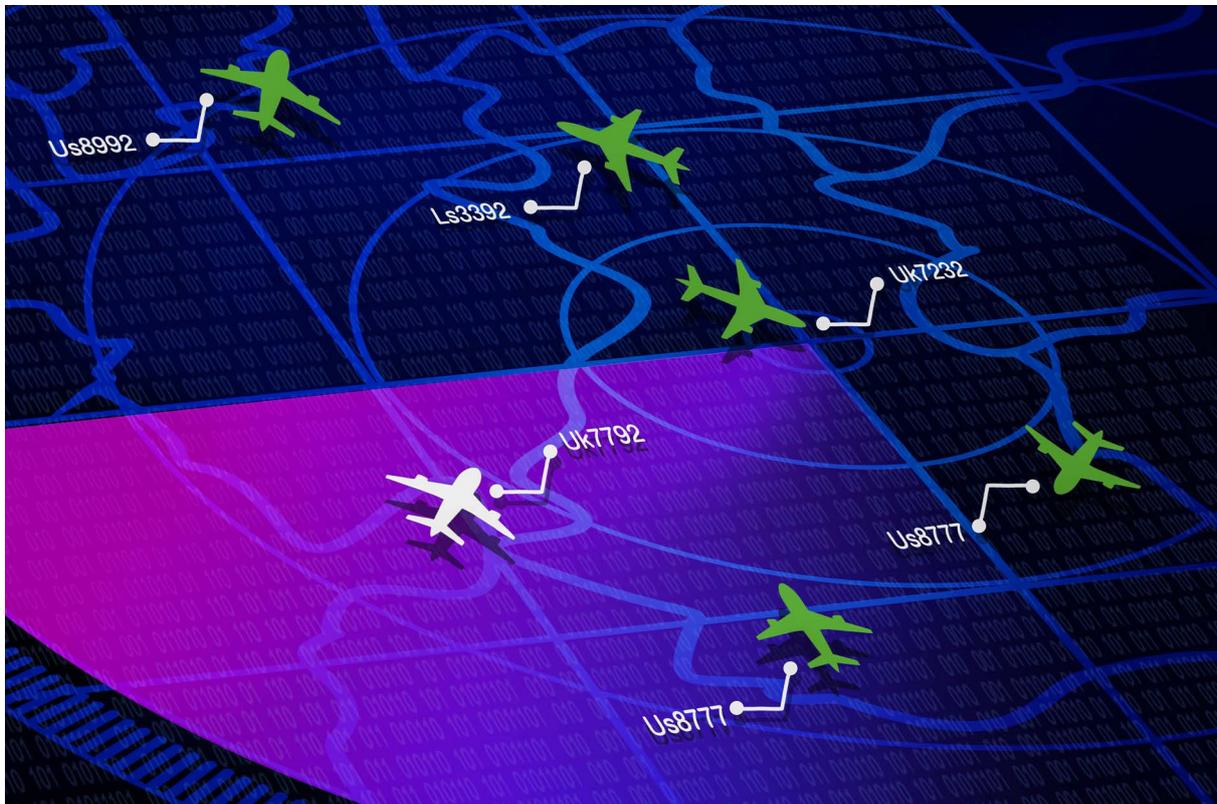
Receivables based on sales amount to 1,619,367 thousand dinars and participate with 33.5% in the structure of total current assets. In the position of long-term receivables, the amount of RSD 1,121,554 thousand was recorded, which refers to the claim of SMATSA based on the sale of the SMATSA Aviation Academy.

Cash at the end of period amounted to 2,939,824 thousand dinars (about 24 million EUR) and mostly refers to withdrawn and unused funds from bank loans.

In terms of long-term liabilities, in 2021, SMATSA records an amount of 11,474,705 thousand dinars (about EUR 97 million) based on long-term loans from EIB and EBRD, as well as liquidity loans, which SMATSA was forced to obtain in order to preserve liquidity and continue to regularly settle its obligations to suppliers.

In the position of short-term financial obligations, an amount of 1,581,783 thousand dinars (about 13.4 million EUR) was recorded, which refers to the repayment of loans due up to one year.

The total capital was reduced in 2021 compared to the previous year, due to recording a net loss.





## 7.3 Cash Flow Report

ITEM	Current year	Previous year
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	<b>7,537,796</b>	<b>5,150,920</b>
I. Cash inflows from operating activities (1 to 4)		
1. Sales and received advances in the country	383,282	387,358
2. Sales and advances received abroad	6,640,104	4,161,114
3. Received interest from operating activities	1,642	723
4. Other inflows from regular operations	512,768	601,725
II. Cash outflows from operating activities (1 to 8)	<b>7,821,545</b>	<b>6,894,328</b>
1. Payments to suppliers and advances made in the country	972,714	885,650
2. Payments to suppliers and advances made abroad	1,004,182	538,934
3. Salaries, salary compensation and other personal expenses	5,709,786	5,329,563
4. Interest paid in the country	68,464	12,583
5. Interest paid abroad	47,716	38,436
6. Income tax	18,683	89,162
7. Outflows based on other public revenues		
8. Other outflows from operating activities		
III. Net cash inflow from operating activities (I-II)		
IV. Net cash outflow from operating activities (II-I)	<b>283,749</b>	<b>1,743,408</b>
<b>B. CASH FLOWS FROM INVESTMENT ACTIVITIES</b>		
I. Cash inflows from investment activities (1 to 5)	-	-
1. Sale of shares and stakes		
2. Sale of intangible assets, buildings, plants, equipment and biological assets		
3. Other financial placements		
4. Interest received from investment activities		
5. Dividends received		
II. Cash outflows from investment activities (1 to 3)	<b>2,287,289</b>	<b>2,209,824</b>
1. Purchase of shares and stakes		
2. Purchase of intangible assets, buildings, plants, equipment and biological agents	2,287,289	2,209,824
3. Other financial placements		
III. Net cash inflow from investment activities (I-II)		



Table 13. Report on cash flows in the period from 1 January to 31 December 2021  
(in 000 RSD)

ITEM	Current year	Previous year
IV. Net cash outflow from investment activities (II-I)	<b>2,287,289</b>	<b>2,209,824</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>4,433,199</b>	<b>4,146,195</b>
I. Cash inflows from financing activities (1 to 7)		
1. Increase of the original capital		
2. Long-term loans in the country	1,003,000	4,146,195
3. Long-term loans abroad	3,430,199	
4. Short-term loans in the country		
5. Short-term loans abroad		
6. Other long-term liabilities		
7. Other short-term liabilities		
II. Cash outflows from financing activities (1 to 8)	<b>79,969</b>	<b>204,739</b>
1. Redemption of own shares and stakes		
2. Long-term loans in the country		
3. Long-term loans abroad	79,969	204,739
4. Short-term loans in the country		
5. Short-term loans abroad		
6. Other liabilities		
7. Financial leasing		
8. Dividends paid		
III. Net cash inflow from financing activities (I-II)	<b>4,353,230</b>	<b>3,941,456</b>
IV. Net cash outflow from financing activities (II-I)		
<b>D. TOTAL CASH INFLOW (3001 + 3017 + 3029)</b>	<b>11,970,995</b>	<b>9,297,115</b>
<b>E. TOTAL CASH OUTFLOW (3006 + 3023 + 3037)</b>	<b>10,188,803</b>	<b>9,308,891</b>
<b>F. NET CASH INFLOW (3048 - 3049) ≥ 0</b>	<b>1,782,192</b>	
<b>G. NET CASH OUTFLOW (3049 - 3048) ≥ 0</b>		<b>11,776</b>
<b>H. CASH AT THE BEGINNING OF ACCOUNTING PERIOD</b>	<b>1,157,483</b>	<b>1,169,259</b>
<b>I. POSITIVE EXCHANGE RATE DIFFERENTIALS BASED ON CASH CONVERSION</b>	282	
<b>J. NEGATIVE EXCHANGE RATE DIFFERENTIALS BASED ON CASH CONVERSION</b>	133	
<b>K. CASH AT THE END OF ACCOUNTING PERIOD (3050 - 3051 + 3052 + 3053 - 3054)</b>	<b>2,939,824</b>	<b>1,157,483</b>



Regarding cash flows in 2021, to the greatest extent, the company managed to balance cash flows from operating activities, with a deficit of 283,749 thousand dinars (in 2020, negative net cash flow from operating activities amounted to 1,743,408 thousand dinars).

Net cash flows from financing activities were positive and amounted to 4,353,230 thousand dinars, of which 1,003,000 thousand dinars refer to loans in the country (loans for liquidity) and 3,430,199 thousand dinars to loans from abroad (investment loan).

Funds from the loan were primarily used for the continuation of investment activities, so that the net outflow of funds from investment activities amounted to 2,287,289 thousand dinars.

Cash at the end of period was 2,939,824 thousand dinars.





08



# Non-financial reporting

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Non-financial reporting, as a relatively new concept, has been intensively developed in the last few decades, primarily on a voluntary basis, as a need to provide stakeholders with an insight into business-related issues that are of wider social importance.

Drawing on European comparative practice, non-financial reporting was introduced into domestic legislation with the adoption of amendments to the Accounting Act in October 2019. The law entered into force on January 1, 2020, with delayed implementation of certain provisions due to the time required for adjustment.

Based on the Law on Companies of the Republic of Serbia ("Official Gazette of the RS", No. 36/11, No. 99/11, No. 83/14, No. 5/15, No. 44/18 and No. 95/18), and the Law on Companies of Montenegro ("Official Gazette of the Republic of Montenegro", No. 6/02, and "Official Gazette of Montenegro", No. 17/07, No. 80/08, 40/10, No. 36/11), the Air Transport Law of the Republic of Serbia ("Official Gazette of RS", No. 73/10, No. 57/11, No. 93/12, No. 45/15 and No. 83/18), the Law on Air Traffic of Montenegro ("Official Gazette of Montenegro", no. 66/08 and no. 30/17), of the Agreement on cooperation in the field of air transport, the Government of the Republic of Serbia and the Government of Montenegro concluded the Continuity Agreement. This contract confirms the continuity of the existence of a joint service provider in air navigation – Serbia and Montenegro Air Traffic Services SMATSA Ilc Belgrade, with the aim of performing activities in accordance with the regulations on air transport in the founding countries, international agreements, international standards and recommended practice.

The Company's operations are fully aligned with national and international regulations, international agreements and the European air traffic management system. On the basis of the International Convention on Cooperation in the Field of Air Navigation Safety ("Official Gazette of SCG" – International Contracts, No. 18/04, 19/04 and 04/05), and in accordance with the Multilateral Agreement on Unit Rates ("Official Gazette of SCG" – International Contracts, number 04/05), the Republic of Serbia and the state of Montenegro, since July 1, 2007, have been integrated into the system of unit rates of the European Organisation for the Safety of Air Navigation (hereinafter: EUROCONTROL), which is applied by 40 member countries.

For the use of air navigation services in the airspace of the Republic of Serbia and the airspace of Montenegro – Belgrade in-flight information areas (FIR/UIR Belgrade), i.e. the charging zone Serbia-Montenegro-KFOR, the Company earns income from unit rates.

The unique system applied by 40 member countries of EUROCONTROL implies the establishment of cost-base on which planned and realized route revenues and expenses are determined on an annual level. All member states have committed themselves to the



consistent application of generally accepted principles for determining the cost-base for unit rates and calculating the amount of unit rates. In this regard, the revenues generated from unit rates are used to cover route expenses, i.e. only route costs can be financed from unit rates (costs incurred in connection with the provision of air navigation services and the functioning of the system, as well as the costs of EUROCONTROL ).

Unit Rate is calculated based on approved, acceptable route costs and air traffic forecast. Given that the route costs are the basis for determining the amount of the unit rates, they must be properly presented and agreed with the representatives of the service users in air navigation (consultation process with the representatives of the service users). In this regard, the Company submits a proposal for the cost-base for the following year (together with all other entities in the common charging zone), which is considered and finally approved at the November session of the EUROCONTROL Enlarged Committee for Route Charges. At the proposal of the EUROCONTROL Enlarged Committee and the Provisional Council, the decision on determining the level of the unit rates for all member countries is made by the EUROCONTROL Enlarged Commission.

For the use of air navigation services in the field of terminal air traffic control (for air traffic control services provided for aircraft that take off or land at airports in Serbia and Montenegro), aircraft users also pay a terminal charge. The calculation and invoicing of terminal charges from September 2019 is carried out in accordance with the Decision of the Government of the Republic of Serbia, 05 number: 343-7454/2019-1 of July 25, 2019 and based on the amendment of the document "Rulebook on criteria for calculation and determination of the level of charges for the provision of services in air navigation" ("Official Gazette of the Republic of Serbia", No. 55/19 of August 2, 2019), i.e. in accordance with the Decision of the Government of Montenegro on the method of calculating terminal charges for the use of services in air navigation ("Official Gazette of Montenegro", number 53/19 of September 16, 2019).

In support of preserving long-term financial stability, the Company continued to invest in new technologies, systems, equipment and infrastructure in 2021, with the aim of maintaining safety, increasing capacity, productivity and continuous compliance with regulatory requirements.

However, taking into account the objective circumstances related to the COVID-19 pandemic, the uncertainty regarding the speed and stable trend of the development of air transport and the realization of the expected cash inflows, investments both in 2021 and in the following period will be focused on projects that were started in the previous period, that is, for which funds were provided from external sources of financing, as well as on starting with the investments that are necessary for the functioning of the air traffic control system and the continuous provision of services.





## 8.1 Policies applied within SMATSA

With regard to Article 37 of the Law on Accounting and the Introduction of Non-Financial Reporting, and based on paragraph 3, sections 2 and 3, below it is shown how SMATSA operates in relation to 4 key business segments and what policies it applies in relation to those questions.

### 8.1.1 Established policies within SMATSA

The main goal of SMATSA, which derives from the document Management System Policy (MS.POL.001), is to maintain the current level of air traffic safety, i.e. to reduce its impact in an event, serious incident or accident to the smallest possible extent in the airspace under the jurisdiction of SMATSA, to a practically acceptable level (As Low As Reasonably Practicable).

Based on the collected and available data on events, at the meeting of the Committee for Management Systems – domain SAF, held on December 29, 2021, it was concluded that SMATSA operates within the defined acceptable level of security.

The Safety Policy, together with the Trust Culture Policy, Quality Policy, Assurance Policy and Environmental Protection and Sustainable Development Policy, together with the principles of occupational safety and health and risk management, is integrated into one document, MS.POL.001 – Management system policy. In this way, it is possible to provide insight/use of all policies of the management system through access to one document.

In accordance with the Law on the Protection of Personal Data of the Republic of Serbia, SMATSA appointed a Person for the Protection of Personal Data in 2020 and issued documents defining and describing the processes of personal data protection (ZPOL.POL.001 – Personal Data Protection Policy). Pursuant to the provisions of the Personal Data Protection Act of the Republic of Serbia, the Personal Data Protection Authority operates independently and is not part of the Department for Human Resources Development,



Legal and General Affairs.

The integration of all policies into one document was carried out in accordance with the requirements of regulations (EU) 2017/373 and 2015/340.

Document MS.POL.001, Management System Policy, was posted internally on the SMATSA portal (under the MS domain) and publicly published on the website of SMATSA, making it available not only to employees of SMATSA but also to the general public.

## 8.1.2 Human Resources

In 2021, a Working Group was formed with the task of drafting the Employment and Training Policy, which will describe the process of planning and conducting training for personnel who perform tasks and tasks in support of the provision of air transport services.

The Handbook SCM.TRE.003 shows how employees are trained for occupational health and safety.

Workers' rights rely on one of the most important documents in SMATSA llc, which is the Collective Agreement (adopted in 2020, OU/DIR - 136/2 of January 23, 2020), and in 2021, Annex IV of the Collective Agreement was signed. This Annex defines measures aimed at preserving the financial stability of SMATSA llc in the conditions of the financial crisis caused by the COVID-19 virus pandemic.

During 2021, all measures prescribed by law were implemented in the prevention of fraud and the fight against corruption.

## 8.1.3 Risk management

Risk management in SMATSA is carried out on several levels, and is detailed in the procedure RMS.PROC.001 – Risk management of business processes. As part of the internal process of strategic planning, during the preparation of planning documents according to the requirements of aviation regulations, strategic risks and dangers are identified to which the most important investment projects are exposed, as events that can lead to failure to fulfill the set business goals.

Strategic planning, management and decision-making is provided through the strategic document (PAR.STG.001) and Strategic Risks PAR.PLN.001 – overview of risks that occur during the planning and implementation of capital investments (investment projects or investments of capital character).

Operational risks at the management system level are also considered, i.e. adverse events in the fields of safety, security, quality and compliance, environment and occupational safety and health.

Regarding business threats, in order to identify dangers that can lead to interruptions or major disruptions in the provision of services, a register of business risks has been created and maintained, which includes identified regulatory, financial, reputational, IT, operational, as well as human resources management risks. According to the established methodology, the risks were assessed and the existing control measures were reviewed, which reduce the impact of risks on the achievement of the business goals of SMATSA.



On a regular basis, the identified risks, their impact on the operations of SMATSA and the effectiveness of existing control measures are reviewed. Events that have a negative impact on the formation of the cost-base, the realization of the financial and investment plan, as well as on current liquidity have been identified as financial risks. In addition, events that can lead to the unavailability of competent licensees and support service personnel, interruptions in the operation of the ICT system, non-compliance of SMATSA with regulatory requirements, loss of reputation, etc. are considered.

In 2021, the impact of the COVID-19 pandemic on the business of SMATSA is still present, through a drop in traffic volume and consequently reduced income. To a large extent, the pandemic also affects the human resources management process (absences of licensed staff, impact of longer absences on competence, etc.). In addition, the takeover of the SMATSA Aviation Academy (SAA) in Vršac by the College of Vocational Studies Aviation Academy, Belgrade, had a great impact on the business, which ended the existence of operational and financial risks related to the business of SMATSA arising from the process of pilot training, aircraft maintenance, use of flight simulators and provision of conditions for airport use.

Through the document SCM.PROC.001 Risks from the point of view of security, threats are considered, i.e. adverse security events that may affect the safe functioning of air traffic control services and security risks are managed.

#### 8.1.4 Environmental Protection

Environmental indicators are given through the Management System Policy MS.POL.001, Rules of Procedure on Environmental Protection EMS.MAN.001, but they are processed in more detail and through procedures EMS.PROC.001-005, and refer to:

- Greenhouse gas emissions
- Other emissions and effluents, including ozone-depleting substances, nitrogen oxides (NO<sub>x</sub>), sulfur oxides (SO<sub>x</sub>) and chemicals
- Generation of waste, including hazardous waste
- Waste reduction and recycling practices
- Use and/or production of hazardous chemicals and substances
- Energy consumption and energy efficiency.

From the perspective of European requirements related to the reduction of greenhouse gas emissions in the airport zone, goals were established within the LSSIP – for 2021 for Serbia. Objective ENV 01 Implementation of CDO operations (continuous descent operations) refers to the airport zone in approach operations. Application of this technique is expected from the end of 2023 with the implementation of PBN procedures. By applying CDO operations, fuel consumption can be reduced by approximately 51 kg per flight and noise can be reduced by up to 5 dB. Objective ENV 03 Implementation of CCO operations (continuous climb operations) to reduce gas emissions is currently not in use.

Until the shutdown of OU SAA in Vršac, measurements and tests of wastewater, groundwater, soil testing, and gas emissions from gas boilers were carried out on a quarterly basis. None of the analyzed parameters exceeded the limit values prescribed by legal



requirements. As of July 2021, the measurements have been transferred to the jurisdiction of the Aviation Academy.

Waste water from other locations of SMATSA in Serbia and Montenegro is discharged into sewage systems.

Substances and gases that can have an impact on the environment, and are used in air conditioning systems, are controlled within closed air conditioning systems and under regular maintenance.

Environmentally acceptable gases are used in fire extinguishing systems so that the impact on the ozone layer is reduced to an acceptable level and under control.

In 2021, SMATSA generated 24,679 tons of waste, of which 13,708 were hazardous. The percentage of the amount of waste that is submitted for some form of reuse is over 90%. SMATSA monitors trends in the ratio of the amount of hazardous and non-hazardous waste generated. The types of final handling of waste are also monitored, where the operators who receive the waste confirm with a certificate the method of reuse, i.e. recycling.

At SMATSA, eco-diesel is stored in large quantities and at several locations in the prescribed manner for the needs of diesel generators.

Risks from the point of view of harmful impact on the environment are clarified through procedure EMS.PROC.002, and provide an overview of the risk assessment for all aspects and impacts on the environment that originate from the activities of SMATSA. Risk reduction measures are monitored through appropriate documentation that is available to everyone on the internal portal.





## 9 Marks and abbreviations

ACC	Area Control Center
ACS	Area Control Surveillance
ADI	Aerodrome Control Instrument
AFIS	Aerodrome Flight Information Services
AFTN	Aeronautical Fixed Telecommunication Network
AIP	Aeronautical Information Publication
AIR	Air Control
AIRAC	Aeronautical Information Regulation And Control
AIS	Aeronautical Information Services
AATC	Aerodrome Air Traffic Control
AMHS	Aeronautical Message Handling System
ANS	Air Navigation Services
ANSP	Air Navigation Services Provider
APCH	Approach
APV	Approach procedure with vertical guidance
APP	Approach Control
ARO	Air Traffic Services Reporting Office
ARTAS	ATM Surveillance Tracker And Server
ASD	Air Situation Display
ASMT	Automatic Safety Monitoring Tool
ATC	Air Traffic Control
ATCC	Air Traffic Control Center
ATCEUC	Air Traffic Controllers European Union Coordination
ATFM	Air Traffic Flow Management
ATM	Air Traffic Management
ATO	Approval Training Organization
ATS	Air Traffic Services



ATSEP	Air Traffic Safety Electronics Personnel
AVAC	Aviation Advisory Committee
BA	Belgrade Airport
BANM	Balkan Aviation Normalization Meeting
BHANSNA	Bosnia and Herzegovina Air Navigation Services Agency
BHATM	Bosnia and Herzegovina Air Traffic Management Project
BSO	Basic Strategic Objective
C-ATCC	Contingency Air Traffic Control Center
CADAS	Comsoft Aeronautical Data Access System
CAL	Calibration
CAT	Category
CIMACT	Civil Military ATM Co-ordination Tool
CIP	Central Integration Process
CNS	Communication, Navigation and Surveillance
COOPANS	An international partnership between the air navigation service providers of Austria, Croatia, Denmark, Ireland and Sweden
DC	Direct Current
DCT	Direct (in relation to flight plan clearances and type of approach)
DEA	Direct Electronic Access
DME	Distance Measuring Equipment
DPS	Data Processing System
DVOR	Doppler VOR
EAD	European AIS Database
eAIP	electronic AIP
EASA	European Aviation Safety Agency
EBRD	European Bank for Reconstruction and Development



EBITDA	Earnings before interest, taxes, depreciation and amortization
EDS	European Directory Service
EGAFOR	Electronic General Aviation Forecast
EGNOS	European Geostationary Navigation Overlay Service
EMS	Environmental Management System
ENV	Environment
ESARR	Eurocontrol Safety Regulatory Requirements
EU	European Union
EUR	Euro
EUROCONTROL	European Agency for the Safety of Air Navigation
ESSP	European Satellite Service Provider
EVAIR	EUROCONTROL voluntary ATM incident reporting
EWA	EGNOS Working Agreement
FAMUS	Future ATM Modernisation and Upgrade System
FIR	Flight Information Region
FL	Flight level
FRA	Free Route Airspace
FSTD	Flight Simulation Training Device
GMC	Ground Movement Control
HUM	Human Resources
ICAO	International Civil Aviation Organization
IFR	Instrument flight rules
ILS	Instrument Landing System
INEA	Innovation and Networks Executive Agency
INO	International NOTAM Operations
IP	Internet Protocol
ISO	International Organization for Standardization
KZA VP	Air Control, Protection and Allocation Department
LARA	Local and sub-Regional Airspace Management Support System
LDAP	Directory Access Protocol
LNAV	Lateral Navigation



LPV	Localizer Performance with Vertical guidance
LSSIP	Local Single Sky Implementation
LYBE	Belgrade Airport
LYKV	Kraljevo Airport
LYNI	Niš Airport
LYPG	Podgorica Airport
LYTV	Tivat Airport
LYUZ	Užice Airport (Ponikve)
LYVR	Vršac Airport
LYVR	Vršac Airport
MCC	Multi Crew Coordination
MET	Aeronautical Meteorological Services
MIL AIP	Military Aeronautical Information Publication
MO	Maintenance Organization
MTBO	Mean Time Between Outages
MTOW	Maximum take of weight
NATO	North Atlantic Treaty Organization
NDB	NonDirectional radio Beacon
NM	Network Manager
NMOC	Network Manager Operations Centre
NOTAM	A notice distributed by means of telecommunication containing information concerning the establishment, condition or change in any aeronautical facility, service, procedure or hazard, the timely knowledge of which is essential to personnel concerned with flight operations
OJTI	On the job Training Instructor
OPMET	Intra- and interregional operational meteorological (OPMET) data exchange
PANS-OPS	Procedures for Air Navigation Services – Aircraft Operations
PBN	Performance-based navigation
PPL	Private Pilot Licence
PreOJT	Pre On-the-Job Training
PSR	Primary Surveillance Radar



PVL	Professional military personnel
QMS	Quality Management System
RAT	Risk Analysis Tool
RNP	Required navigation performance
RNPAPCH	Required navigation performance Approach
RP	Reference Period
SARP(S)	Standards and recommended practices ICAO
SDD	Static and Dynamic Data
SDO	Static Data Operations
SEAFRA	South East Axis Free Route Airspace
SECSI FRA	South East Common Sky Initiative Free Route Airspace
SES	Single European Sky
SESAR	Single European Sky ATM Research
SMATSA	Serbia and Montenegro Air Traffic Services SMATSA IIc
SMS	Safety Management System
SNOWTAM	A special series NOTAM given in a standard format providing a surface condition report notifying the presence or cessation of hazardous conditions due to snow, ice, slush, frost, standing water or water associated with snow, slush, ice or frost on the movement area
SSR	Secondary Surveillance Radar
STAR	Standard Instrument Arrival
SID	Standard Instrument Departure
STO	Strategic Objective
SUSAN	SMATSA Upgrade of System for Air Navigation
TAF	Aerodrome forecast
TAR	Terminal Area Radar
TEA	Test of English for Aviation
TER	Sector for terminal and aerodrome air traffic control



TMA	Terminal Area
TRE	Aviation Staff Training Sector
TWR	Tower
UHF	Ultra High Frequency
UPS	Uninterruptible power supply
VDF	Variable frequency drive
VHF	Very High Frequency
VOR	Very High Frequency Omni-directional Range
VNAV	Vertical Navigation
ANT	Nikola Tesla Airport
AATC	Aerodrome Air Traffic Control
CAA	Montenegro Civil Aviation Agency
CAD	Civil Aviation Directorate of the Republic of Serbia
EE	Electric power
EIB	European Investment Bank
GRNS	Ground-based Radio Navigation Systems
TTI	Theoretical training instructors
OU	Organizational unit
RW	Runway
RV & PVO of the RS	Air Force and anti-aircraft defense of the Serbian Army
RS	Radar station
TC	Telecommunications
TCC	Telecommunications center



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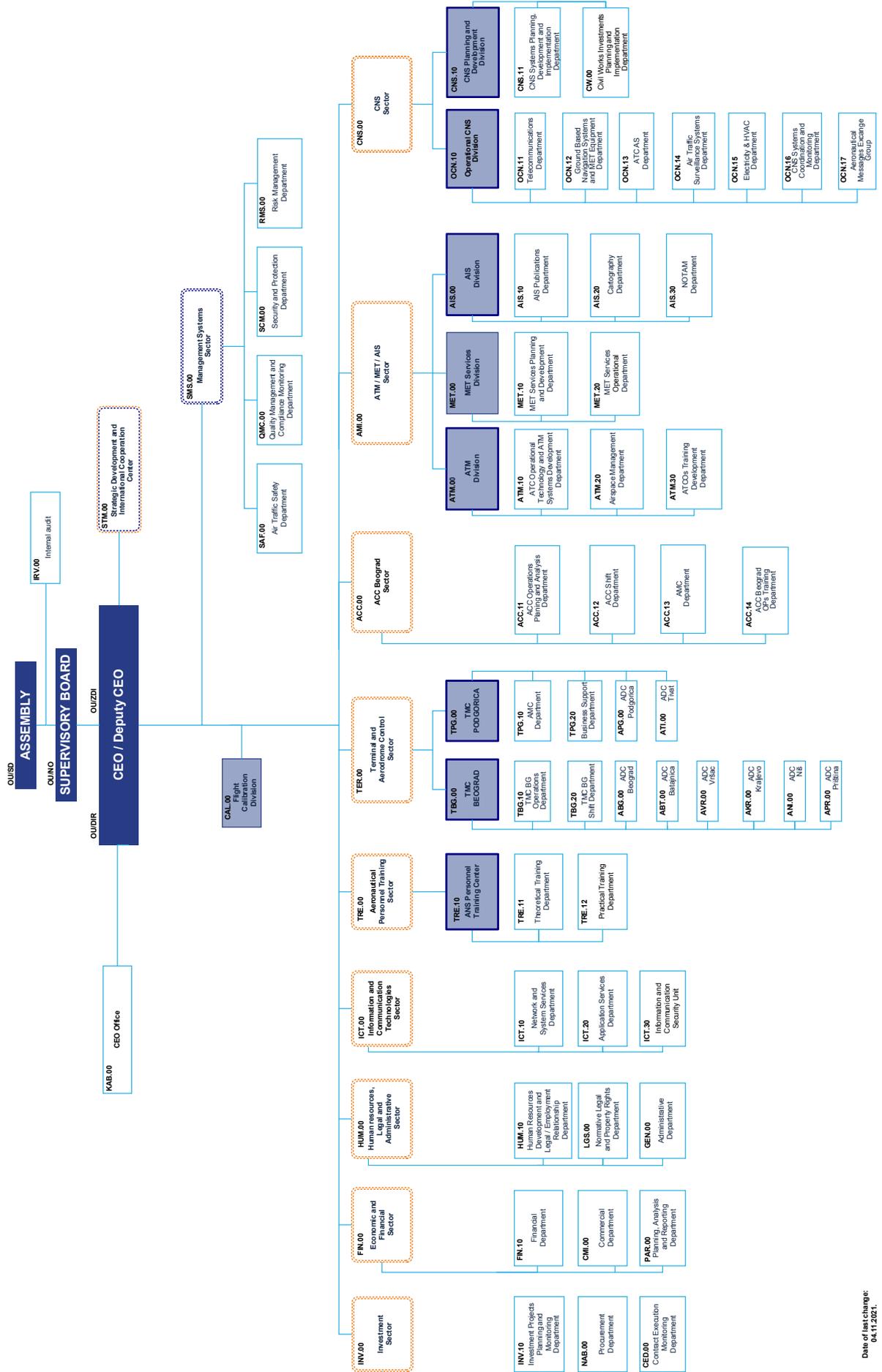
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# 11.1 Appendix 1 – Organizational structure of SMATSA Ilc

## SMATSA Ilc Organisational Structure





## 11.2 Apendix 2 – Decision of the EUROCONTROL Enlarged Committee no.20/166 of 26/11/2020

### EUROPEAN ORGANISATION FOR THE SAFETY OF AIR NAVIGATION

#### EUROCONTROL

- Decisions of the enlarged Commission -

#### DECISION No. 20/166

*relating to the determination of the unit rates for the period of application commencing 1 January 2021*

THE ENLARGED COMMISSION,

Having regard to the EUROCONTROL International Convention relating to Co-operation for the Safety of Air Navigation amended at Brussels on 12 February 1981 and in particular Article 5 thereof;

Having regard to the Multilateral Agreement relating to Route Charges dated 12 February 1981, and in particular Articles 3.2(e) and 6.1(a) thereof;

On the proposal of the enlarged Committee and the Provisional Council,

HEREBY TAKES THE FOLLOWING DECISION:

#### Sole Article

The unit rates annexed to the present decision are approved and shall enter into force on 1 January 2021.

Done at Brussels on 26 November 2020,

Gytis Mažeika  
President of the Commission



**Unit rates applicable from 1 January 2021**

<b>ZONE</b>	<b>Global unit rate euro</b>	<b>Exchange rate applied 1 euro =</b>	
Belgium/Luxembourg *	99.55	-/-	
Germany *	67.09	-/-	
France *	59.16	-/-	
United Kingdom	58.95	0.909664	GBP
Netherlands *	69.03	-/-	
Ireland *	27.87	-/-	
Switzerland	91.54	1.07825	CHF
Portugal Lisboa *	41.89	-/-	
Austria *	61.98	-/-	
Spain Continental *	45.44	-/-	
Spain Canary *	40.00	-/-	
Portugal Santa Maria *	16.02	-/-	
Greece *	29.64	-/-	
Turkey	28.90	8.89841	TRL
Malta *	27.50	-/-	
Italy *	62.97	-/-	
Cyprus *	19.31	-/-	
Hungary	29.96	360.218	HUF
Norway	50.03	10.7790	NOK
Denmark	54.54	7.44042	DKK
Slovenia *	48.18	-/-	
Romania	40.83	4.85720	RON
Czech Republic	45.01	26.7226	CZK
Sweden	52.76	10.4166	SEK
Slovakia *	47.95	-/-	
Croatia	37.97	7.53943	HRK
Bulgaria	28.90	1.95581	BGN
North Macedonia	51.16	61.3941	MKD
Moldova	74.47	19.5064	MDL
Finland *	43.17	-/-	
Albania	59.08	123.550	ALL
Bosnia and Herzegovina	38.76	1.94991	BAM
Serbia/Montenegro/KFOR	41.74	117.502	RSD
Lithuania *	38.99	-/-	
Poland	44.06	4.47125	PLN
Armenia	54.52	571.916	AMD
Latvia *	29.45	-/-	
Georgia	33.00	3.72008	GEL
Estonia *	33.78	-/-	
Ukraine	51.39	33.0004	UAH
Ukraine South	25.29	33.0004	UAH

\*: State participating in the EMU.



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The logo for smatsa, featuring a stylized blue 'S' composed of horizontal lines above the word 'smatsa' in a lowercase, sans-serif font.

smatsa

