



No. 02/ZDP/VE/2016  
Date: February 15, 2016

Pursuant to Article 14.1, 14.2, 15.1 (f), 21.2 and 81 of Law no. 03/L-051 on Civil Aviation ("Official Gazette of the Republic of Kosovo" no. 28, June 4, 2008), and Article 13.1 of the CAA Regulation no. 3/2015 on airport charges, dated June 8, 2015,

Having decided upon the proposal of the airport operator, LKIA PIA Adem Jashari ("airport operator"), no. 2016/ZDP/07, dated February 4, 2016, for approval of the Incentive Program 2016-2018,

Director General of Civil Aviation Authority of the Republic of Kosovo issues this:

### DECISION

1. Incentive Program for PIA Adem Jashari 2016-2018 is approved as proposed by the airport operator, ref. no. 2016/ZDP/07, of February 4, 2016, in accordance with this decision and for the period March 27, 2016 until March 24, 2018.
2. Approval of Item 5.5, the incentive to operate on off-peak hours, included in the Incentive Program from the 1<sup>st</sup> point of this decision is outside the scope of the CAA.
3. Incentive offered under 5.1 should be available to all airlines which meet the requirements and cannot be limited to the first airline that starts operating a new route from PIA Adem Jashari.
4. Any changes to the incentive program must be made in accordance with Regulation no. 3/2015 on airport charges.
5. The airport operator is obliged to offer the incentive program to all airlines operating at PIA Adem Jashari in a non-discriminatory manner and to publish this program appropriately, as well as to inform the CAA on the implementation of this program and any changes thereof.
6. This Decision shall enter into force on the day of its signing.

## REASONING

The airport operator has submitted the first version of the Incentive Program 2016-2018 ("Incentive Program") for obtaining approval from the Civil Aviation Authority of Kosovo ("CAA") on January 25, 2016 and its final version on February 4, 2016.

Points 1 to 5 of the incentive program state that this program aims to increase traffic at this airport by encouraging the development of new routes, promoting the development of new frequencies, encouraging the airlines to increase the existing volume of traffic, to base at least one aircraft in Prishtina, to operate on off-peak hours and also support airlines that start new routes or new frequencies at PIA Adem Jashari to cover for marketing activity expenses.

In order to obtain the approval of the CAA for its incentive program, the airport operator has submitted these documents for review:

- Incentive Program of the airport operator of PIA Adem Jashari, dated January 25, 2016;
- Invitation dated January 14, 2016 sent to airlines to participate in the Airport Users' Consultative Committee meeting ("Consultative Committee") dated January 18, 2016;
- Minutes of the Consultative Committee meeting held on January 18, 2016;
- List of participants of the Consultative Committee meeting;
- Electronic correspondence dated January 6, 2016 sent by the airport operator to the headquarters of airlines that operate or may operate in Prishtina, together with the proposed incentive program for consideration;
- Responses via email from airlines: Adria Airways, Germanwings, JetAir, easyJet and SAS, sent in the period 14-18 January 2016;
- The final version of the 2016-2018 Incentive Program of the airport operator of PIA Adem Jashari, dated February 4, 2016, in which are reflected some of the previous comments of the CAA and airlines that have taken part in the public consultation.

Based on the duties and responsibilities of the CAA under Article 15 (f) of Law no. 03/L-051 on Civil Aviation as well as Article 13.1 of the Regulation no. 3/2015 on airport charges, the CAA has reviewed these documents and

## CONCLUDED THAT:

- The proposed incentive program is a transparent initiative and good encouragement for airlines that begin new routes/frequencies or increase the volume of traffic at PIA Adem Jashari. Implementation of these incentives will be useful for the public by offering greater choice to travel to and from PIA Adem Jashari.
- Conditions for granting each of the five incentives offered in the Incentive Program proposed by the airport operator are relevant, objective and transparent. However, as regards the conditions for granting the incentive under 5.1, clarity about the potential beneficiaries of this incentive were lacking, and the CAA has therefore decided as in the enacting point 3 of this decision.
- The incentive program is offered to all airlines, without exception, which carry passengers; operating or planning to operate from PIA Adem Jashari; and which satisfy all the conditions provided in the Incentive Program.

- The incentive program is limited in time and is effective from March 27, 2016 until March 24, 2018.
- The airport operator has taken into account some of the airlines' comments while drafting the final version of the Incentive Program of February 4, 2016.

Given that the incentive program of the airport operator PIA Adem Jashari aims to promote the opening of new routes and increasing the number of flights, it is limited in time (valid for two years) and is proportionate to achieving the objective target, it can be concluded that, as such, this program is in the general public interest and is consistent with the requirements of Article 13.1 of the Regulation no. 3/2015 on airport charges.

By exclusion, the adoption of paragraph 5.5 of the Incentive Program is not the responsibility of the CAA under Regulation no. 3/2015. This incentive touches upon fees for groundhandling that are not regulated aeronautical charges listed in Article 4 of the Regulation no. 3/2015 of the CAA. It is at the discretion of the airport operator to provide an incentive for groundhandling services, in accordance with Regulation no. 4/2011 on access to the groundhandling market. However, the incentive to airlines under paragraph 5.5 of the Incentive Program referred to above, should be provided in a non-discriminatory way to all companies that meet the requirements set by the airport operator.

Through electronic correspondence dated 12 February 2016 regarding the request of CAA for the remarks that the Public Partner may have on the Incentive Program proposed by the Airport Operator, the Central Department for Public Private Partnership of the Ministry of Finance has advised CAA to continue to exercise the responsibilities of the CAA within the powers envisaged by the Law on Civil Aviation and relevant regulations and the PPP contract on PIA.

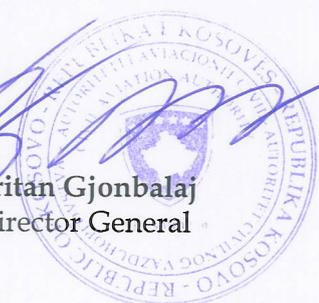
Therefore, based on these facts, it can be concluded that the Incentive Program of the airport operator is in compliance with the requirements of Article 13.1 of the Regulation no. 3/2015 for airport charges.

Relying on this legal basis, the Director General has decided as in the enactment clauses of this decision.

Prishtina, 15 February 2016



**Dritan Gjonbalaj**  
Director General



**Instruction on legal remedy:**

Administrative review of the Appeals Commission of the CAA may be requested against this decision, within 30 days of receiving the decision.

To be sent to:

PIA Adem Jashari Operator  
Central PPP Department, Ministry of Finance  
Department of Civil Aviation, Ministry of Infrastructure