



Director General of Civil Aviation Authority of Kosovo,

Pursuant to Articles 15.1 (f), 21.2 and 81 of Law No. 03/L-051 on Civil Aviation,

For the purpose of establishing the rate to be charged by an airport operator for the use of its aeronautical facilities and services, setting forth charging principles to be taken into consideration by an airport operator when calculating those charges and for the purpose of establishing the procedure for the approval of such charges,

Hereby issues the following:

REGULATION No. 1/2011 ON AIRPORT CHARGES

Article 1 Scope of Application

This Regulation shall apply to airports whose operators levy charges for the availability or provision of their aeronautical facilities and services.

Article 2 Definitions

For the purposes of this Regulation:

“Airport” means any land area specifically adapted for the landing, taking-off and manoeuvring of aircraft, including the ancillary installations which these operations may involve for the requirements of aircraft traffic and services, including the installations needed to assist commercial air services;

“Airport operator” means a body which, in conjunction with other activities or not as the case may be, has as its objective under contracts the administration and management of the airport and the coordination and control of the activities of the different operators present in the airport concerned;

“User” means any natural or legal person responsible for the carriage of passengers, mail and/or freight by air to or from the airport concerned;

“Airport charge” means a levy collected for the benefit of the airport operator and paid by the users for the use of facilities and services, which are exclusively provided by the airport managing body and which are related to landing, take-off, lighting, refuelling and parking of aircraft, and processing of passengers and freight;

“CAA” means the Civil Aviation Authority of the Republic of Kosovo.

Article 3 **Basic charging principles**

The airport operator shall observe the following basic principles when levying charges on aircraft operators:

- a) Airport charges must not exceed the total cost of the services covered by them. For transparency purposes, the airport shall maintain accounts that provide distinctly the detail of this cost;
- b) Airport charges must not discriminate among users;
- c) Airport operator and users must consult regularly with regard to charging system, quality standards and future investments;
- d) Airport charges must not be levied for any facilities or services before they become operational.

Article 4 **Structure of airport charges**

The structure of airport charges shall be objective and transparent and must not encourage users to diminish safety.

Airport charges shall include, *inter alia*, the following:

- a) Landing charge, which is collected for the use of facilities and services necessary to ensure take-off and landing operations of an aircraft. Landing charge shall be based on the weight formula, using the maximum permissible take-off weight of the aircraft given in the airworthiness certificate;
- b) Aircraft parking charge, which is collected for the use of parking areas or hangars. Aircraft parking charge shall be based on the maximum permissible take-off weight of the aircraft given in the airworthiness certificate and its parking time at the airport. The airport operator may determine a time when parking is free of charge;

- c) Passenger service charge, which is collected for the use of the airport's passenger facilities. Passenger service charge shall be levied on every person departing on a commercial flight from Kosovo, except if such a person is:
- i. under 2 years of age,
 - ii. a member of the airline cabin crew on duty,
 - iii. involuntarily re-routed by the airline to a destination in Kosovo or
 - iv. a direct transit passenger (making a stop 'en-route' at the airport and departing with the same aircraft and with the same flight number).

This charge is collected by airline companies that provide commercial flights at the point of sale of air tickets.

- d) Security charge, which is collected for the provision of security facilities and services for air traffic. Security charge shall be levied on every person departing on a commercial flight from Kosovo, except if such a person falls under any of the category of exempted persons set forth above under (c);

This charge may form an integral part of passenger service charge.

- e) Aerobridge charge, which is related to provision and operation of aerobridges. Aerobridge charge shall be based on the time period the aerobridge is used.

Article 5

Differentiation of airport charges

5.1 The airport operator may vary the quality and scope of particular airport services, terminals or parts of terminals, with the aim of providing tailored services or a dedicated terminal or part of a terminal.

5.2 The level of airport charges may be differentiated according to the quality and scope of such services and their costs or any other objective and transparent justification. Without prejudice to Article 3, the airport operator may set any such differentiated airport charges.

5.3 The airport shall submit proposals for differentiated charges for approval to the CAA in accordance with Articles 10 and 11 of this Regulation.

5.4 The airport operator shall allow any user wishing to use the tailored services or dedicated terminal or part of a terminal, to have access to these services and terminal or part of terminal. In the event that more users wish to have access to the tailored services and/or a dedicated terminal or part of terminal more than it is possible due to capacity constraints, access shall be determined on the basis of relevant, objective,

transparent and non-discriminatory criteria. The airport operator shall submit these criteria to the CAA for approval.

Article 6

Modulation of airport charges

The airport operator may introduce the modulation of airport charges for issues of public and general interest. The criteria used for such a modulation shall be relevant, objective and transparent. Such a modulation shall be limited, with its amplitude and period proportioned to its objective.

Such a modulation shall aim at:

- a) Reducing or making up environmental impacts, in this case the landing charge may be modulated having regard for the period of the day and the aircraft's performance with regard to acoustics and gas emissions;
- b) Improving the use of the airport's facilities, in this case airport charges may be modulated having regard for the period of the day, the period of the week or the period of the year, the kind of traffic, the way facilities are used or where they are situated. Airport charges may be reduced temporarily for users whose evolution of traffic, or part of it, exceeds given amounts or is promised by the user concerned in a contract; or
- c) Promoting the creation of new routes, in this case airport charges may be reduced temporarily for users that operate new routes from the airport concerned, and where customer catchment area concerned do not overlap any customer catchment area served by the existing routes.

Article 7

Quality standards

From 1 June 2012, the airport operator shall establish a system of quality standards indicators, with regard to the quality of service provided at the airport. The airport operator shall submit to the CAA its system of quality standards indicators for approval. The airport operator shall monitor quality standards indicators and publish their results every three months, thereafter.

Article 8

Consultation

8.1 Every airport shall have a Consultative Committee ("the committee") composed by the representatives of an airport operator, airport users and air transport

associations. Airport users and air transport associations shall be represented in the same number as the representatives of the airport operator.

8.2 The airport operator shall create this committee and set the criteria for its composition and submit the establishing document to the CAA for final approval.

8.3 This committee shall set its terms of reference at its inauguration meeting and submit it to the CAA for final approval.

8.4 The CAA may attend the Committee's meetings however it may have no voting right. This committee shall meet at least once a year in order to express an opinion about airport charges and investments plan. It may be consulted about any subject in respect of airport charges. Minutes of the meeting shall be compiled at all the times.

8.5 The airport operator shall submit any proposal to modify the system or the level of airport charges to the Committee with duly justified reasons, no later than 4 months before their planned entry into force. Together with this proposal, the airport operator may submit a service level agreement to the Committee. The initial proposal shall be also sent to the CAA as advance information no later than 4 months before new charges are planned to enter into force.

8.6 The airport operator shall consult the committee before the plans for new infrastructure projects are finalized.

Article 9 Transparency

9.1 When the committee meets to express its opinion about airport charges, the airport operator shall provide its members with detailed information on the components serving as a basis for determining the system or the level of all charges levied by the airport operator. The information shall include at least:

- a) A list of the various services and infrastructure provided in return for the airport charge levied;
- b) The methodology used for setting airport charges;
- c) The overall cost structure with regard to the facilities and services which airport charges relate to;
- d) The revenue of the different charges and the total cost of the services covered by them;

- e) Any financing from public authorities of the facilities and services which airport charges relate to;
- f) Forecasts of the situation at the airport as regards the charges, traffic growth and proposed investments;
- g) The actual use of airport infrastructure and equipment over given period; and
- h) The predicted outcome of any major proposed investments in terms of their effects on airport capacity.
- i) Result of the application of the incentive scheme, when modulation is implemented

9.2 When the committee meets to express its opinion about airport charges, the representatives of the users in this committee shall submit information to the airport operator, concerning in particular:

- a) Forecasts as regards traffic;
- b) Forecasts as to the composition and envisaged use of the fleet;
- c) Their development projects at the airport; and
- d) Their requirements at the airport.

9.3 The information provided on the basis of this article shall be considered as confidential or economically sensitive and handled accordingly.

Article 10

Submission of the final proposal to the CAA

The airport operator shall submit to CAA the final proposal for the new system of airport charges, their levels, differentiation or modulation, if applicable, no later than 2 months before they enter into force. This proposal shall be accompanied with the following documentation:

- a) Operating expenses target;
- b) Forecast of operating incomes;
- c) Consultation Committee's meeting minutes;
- d) Service level agreement, if applicable;
- e) Investments plan and its financing.

Article 11

Determination by the CAA

11.1 Where the CAA determines that the proposed airport charges are consistent with the charging principles set out in Articles 3, 4, 5, 6, 8 and 9, the Director General of the CAA shall issue a Decision for the approval of airport charges. This Decision shall specify the new rate of airport charges applicable at a certain airport and their effective date.

11.2 Where the CAA determines that the proposed airport charges are not consistent with the charging principles set out in Articles 3, 4, 5, 6, 8 and 9, the Director General of the CAA shall request the airport operator to modify its proposal in accordance with this Regulation and resubmit it to the CAA for approval.

11.3 Upon issuance of the Decision for the approval of airport charges by the Director General of the CAA, the airport operator shall give at least one month advance notification to the users on the new system of airport charges, their levels, differentiation or modulation, if applicable, and their effective date.

11.4 The CAA shall publish in its website the most current Decision on approval of airport charges as soon as it comes into force.

Article 12 **Exemptions**

12.1 The following shall be exempt from airport charges:

- a) Aircraft involved in search and rescue operations activities connected with incidents involving civil aviation;
- b) Aircraft used for humanitarian assistance in case of a natural disaster or state of emergency, and
- c) Aircraft in distress

12.2 Exemptions granted in the preceding paragraph may be waived by the CAA in accordance with Article 82.2 of Law No. 03/L-051 on Civil Aviation.

Article 13 **Abrogation**

Regulation No.3/2008, dated 26 December 2008, establishing a service charge to be levied on passengers departing on commercial flights from Kosovo is hereby abrogated.

Article 14
Entry into force

This Regulation shall enter into force on 18 January 2011.

Dritan Gjonbalaj
Director General