



Director General of Civil Aviation Authority of Kosovo,

Pursuant to Articles 3.5 paragraph (ii), 15.1 paragraph (f), 21.2 and 81 of Law No. 03/L-051 on Civil Aviation (“Official Gazette of the Republic of Kosovo”, Year III, No. 28, of 4 June 2008),

Taking into consideration,

International obligations of the Republic of Kosovo towards the Multilateral Agreement on the Establishment of the European Common Aviation Area (hereinafter “ECAA Agreement”) since its provisional entry into force in Kosovo on 10 October 2006,

With the aim of implementing Directive 2009/12/EC of the European Parliament and of the Council of 11 March 2009 on airport charges, within the internal legal order of the Republic of Kosovo,

Upon completion of the process of public consultation of interested parties, in accordance with the Administrative Instruction No. 01/2012 on Procedures for Public Consultation of Interested Parties,

Hereby issues:

REGULATION No. 3/2015 ON AIRPORT CHARGES

Article 1 Scope of Application

1.1 This Regulation shall be applicable to airports in the Republic of Kosovo whose managing bodies levy charges for the availability or provision of their aeronautical facilities and services.

1.2 This Regulation shall not be applicable to the charges levied for en route and terminal air navigation services in accordance with CAA Regulations nr. 14/2010 and 2/2011, or to the fees levied for groundhandling services referred to in the Annex to CAA Regulation nr. 4/2011, or to the charges levied for the funding of assistance to disabled passengers and passengers with reduced mobility referred to in the Ministry of Infrastructure Regulation nr. 2013/2 or in regulations that

amend, supplement or repeal the same.

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 managing body” means a body which, in conjunction with other activities or not as the case may be, has as its objective under national laws, regulations or contracts the administration and management of the airport or airport network infrastructures and the coordination and control of the activities of the different operators present in the airports or airport network concerned;

“Airport 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 managing body 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;

“Airport network” means a group of airports duly designated as such by the Kosovo CAA and operated by the same airport managing body;

“CAA” means the Civil Aviation Authority of the Republic of Kosovo, whereas for the purpose of Directive 2009/12/EC of the European Parliament and of the Council of 11 March 2009 on airport charges, denotes the independent supervisory authority pursuant to Article 11 of that Directive;

“PPP Agreement” means the Public Private Partnership Agreement for the Operation and Expansion of Pristina International Airport between the Republic of Kosovo acting by and through its Public-Private-Partnership Inter-Ministerial Steering Committee and Limak Kosovo International Airport J.S.C, dated as of August 12, 2010.

Article 3

Basic charging principles

The airport managing body shall observe the following basic principles when levying charges on users:

- a) Separate accounts which provide distinctly the details of the costs for the provision of the services shall be maintained at all times;
- b) Non-discrimination of airport users while applying airport charges;
- c) Regular consultation of airport users with regard to charging system, quality standards and future investments.

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 managing body 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,
 - 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),
or
 - v. travelling on a free ticket or with a reduced price (ID or ZED);

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 categories 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

Airport network

The CAA may allow the airport managing body of an airport network to introduce a common and transparent airport charging system to cover the airport network.

Article 6

Common charging systems

In accordance with the ECAA Agreement and after having informed the European Commission, CAA may allow an airport managing body to apply a common and transparent charging system at airports serving the same city or conurbation, provided that each airport fully complies with the requirements on transparency set out in Article 11.

Article 7

Differentiation of airport charges

7.1 The airport managing body 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.

7.2 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. The airport managing body may propose such a differentiated airport charge in accordance with Article 3.

7.3 The airport managing body shall submit proposals for differentiated charges for approval to the CAA in accordance with Articles 12 and 13 of this Regulation.

7.4 The airport managing body 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 managing body shall submit these criteria to the CAA for approval.

Article 8

Modulation of airport charges

The airport managing body may propose 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; 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 9

Quality standards

9.1 Airport managing body shall establish a system of quality standards indicators, with regard to the quality of service provided at the airport. The airport managing body shall submit to the CAA its system of quality standards indicators for approval. The airport managing body shall monitor quality standards indicators and publish their results at least once a year thereafter. When concerning Prishtina International Airport Adem Jashari, quality standards will be set per the PPP Agreement on the subject.

9.2 In order to ensure smooth and efficient operations at an airport, the airport

managing body and the representatives or associations of airport users at the airport may enter into negotiations with a view to concluding a service level agreement with regard to the quality of service provided at the airport. These negotiations on service quality may take place as part of the consultations referred to in Article 10.

- 9.3 Any such service level agreement shall determine the level of the service to be provided by the airport managing body which takes into account the actual system or the level of airport charges and the level of service to which airport users are entitled in return for the airport charges.

Article 10 Consultation

- 10.1 Every airport shall have a Consultative Committee ("the committee") composed by the representatives of an airport managing body, 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 managing body.
- 10.2 The airport managing body shall create this committee and set the criteria for its composition and submit the establishing document to the CAA for final approval.
- 10.3 This committee shall set its terms of reference at its inauguration meeting and submit them to the CAA for final approval. The same procedure applies in the case of their amendment.
- 10.4 The CAA may attend the committee's meetings however without a voting right. This committee shall meet at least once (1) a year, unless agreed otherwise in the latest consultation, 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 times.
- 10.5 Where a multi-annual agreement between the airport managing body and the airport users exists, the consultations shall take place as foreseen in such agreement. The CAA shall retain the right to request more frequent consultations than those foreseen in paragraph 4 and 5 of this article.
- 10.6 The airport managing body shall submit any proposal to modify the system or the level of airport charges to the committee with duly justified reasons, no later than four (4) months before their planned entry into force, unless there are exceptional circumstances which need to be justified to airport users. Together

with this proposal, the airport managing body 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 four (4) months before new charges are planned to enter into force, unless there are exceptional circumstances which need to be justified to the CAA.

10.7 The airport managing body shall consult the committee before the plans for new infrastructure projects are finalized.

Article 11

Transparency

11.1 The managing body of an airport shall provide members of the Committee with detailed information on the components serving as a basis for determining the system or the level of all charges levied by the airport managing body. 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;
- h) The predicted outcome of any major proposed investments in terms of their effects on airport capacity; and
- i) Result of the application of the incentive scheme, when modulation is implemented.

11.2 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 managing body, 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 concerned; and
- d) Their requirements at the airport concerned.

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

Article 12

Submission of the final proposal to the CAA

The airport managing body shall submit to the CAA the final proposal for a new charge, changes to existing ones, 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) Consultative Committee's meeting minutes;
- d) Service level agreement, if applicable;
- e) Investments plan and its financing.

Article 13

Decisions of CAA

13.1 Where the CAA determines that the proposed airport charges are consistent with the charging principles set out in Articles 3, 4, 7, 8, 10 and 11, 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.

13.2 Where the CAA determines that the proposed airport charges are not consistent with the charging principles set out in Articles 3, 4, 7, 8, 10 and 11, the Director General of the CAA shall request the airport managing body to modify its proposal in accordance with this Regulation and resubmit it to the CAA for approval. If airport managing body does not act upon requirements of this paragraph, the CAA may refuse approval of airport charges with a decision.

13.3 The airport managing body shall give at least one (1) month advance notice to the users on the new system of airport charges, their levels, differentiation or

modulation, if applicable, and their effective date.

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

13.5 With respect to Prishtina International Airport "Adem Jashari", level of charges as determined in the PPP Agreement shall prevail for the duration of the said Agreement.

Article 14 **Annual reporting to CAA**

Upon completion of the first financial year and each year thereafter, the airport managing body shall submit its audited financial statements for the previous year to the CAA for review no later than 31 March.

Upon start of the operations and each year thereafter, the airport managing body shall submit its insurance policy covering liability arising out of its aeronautical operations to the CAA no later than one (1) week after its coverage starting day.

Article 15 **Remedy**

The parties may request administrative review of a CAA decision taken under Article 13 of this Regulation before the Board of Appeals of CAA.

Article 16 **Exemptions**

16.1 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.

16.2 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 17
Specific Regulation for Prishtina International Airport Adem Jashari

The provisions of this Regulation for Prishtina International Airport “Adem Jashari” shall be implemented in accordance with the PPP Agreement, during the time that this agreement is in force.

Article 18
Repeal

With the entry into force of this Regulation, Regulation no. 1/2011 on Airport Charges, dated January 18, 2011 shall be repealed.

Article 19
Entry into force

This Regulation shall enter into force fifteen (15) days after its signing.

Dritan Gjonbalaj
Director General

Prishtina, 8 June 2015