## GENERAL NOTICE

#### **NOTICE 175 OF 2011**

# PROPOSED AMENDMENT TO THE CIVIL AVIATION AUTHORITY PASSENGER SAFETY CHARGE REGULATIONS, 2011

Under regulation 11.03.2(1)(a) of the Civil Aviation Regulations, the Chairperson of the Civil Aviation Regulations Committee (CARCOM) hereby publishes for comment the proposed amendments to the Civil Aviation Authority Passenger Safety Charge regulations, 2011, as set out in the schedule hereto. Any comments or representations on the proposed amendments should be lodged in writing with the Chairperson of CARCOM, for attention Ms. Monica Sonjani or Mr. Herman Wildenboer, Private Bag 73 Halfway House, 1685, fax: (011) 545-1201, or e-mail at <a href="mailto:sonjanim@caa.co.za">sonjanim@caa.co.za</a> or <a href="mailto:wildenboerh@caa.co.za">wildenboerh@caa.co.za</a>, before or on 25 APRIL 2011

## PROPOSED AMENDMENT OF THE CIVIL AVIATION AUTHORITY PASSENGER SAFETY CHARGE REGULATIONS, 2011

#### PROPOSER:

Civil Aviation Authority Private Bag X73 Halfway House 1685

### **EXPLANATION OF INTEREST OF THE PROPOSER:**

The Proposer administers the Civil Aviation Act of 2009 (Act No.13 of 2009) and the Regulations and Technical Standards issued in terms thereof.

1. PROPOSAL FOR THE AMENDMENT OF PARAGRAPH 2 OF THE CIVIL AVIATION AUTHORITY PASSENGER SAFETY CHARGE REGULATIONS, 2011

Paragraph 2 of the Civil Aviation Authority Passenger Safety Charge Regulations, 2011 is hereby amended by the substitution for sub-paragraph (1) of the following sub-paragraph:

"(1) A Civil Aviation Authority Passenger Safety Charge amounting to R12.00 R18.00 shall be payable by aircraft passengers departing on an aircraft from an aerodrome within the Republic of South Africa on a scheduled public air transport flight or part of a flight to a destination within or outside the territory of the Republic of South Africa".

Annex "A" of the Civil Aviation Authority Passenger Safety Charge Regulations, 2011 is hereby amended by substituting the amount of R12 with the amount of R18.

SOUTH AFRICAN CIVIL AVIATION AUTHORITY LOGO

#### ANNEX A

## SOUTH AFRICAN CIVIL AVIATION AUTHORITY

Monthly Return for Civil Aviation Authority Passenger Safety Charge

Operator Code:

Operator Name:

Method of Payment: Electronic Transfer □ Cheque □ Bank deposit □

Return Period:

#### **DEPARTURES**

	Passengers X Rate	Total Payable R
Chargeable scheduled departing passengers	<u>R18</u>	
Non-chargeable scheduled departing passengers	0	
Total number of passengers / payable		

The form must be completed and returned regardless of whether the liability is nil.

This form must be submitted with payment to the Civil Aviation Authority not later than 21 days after the last day of the return period.

## Banking details:

South African Civil Aviation Authority Standard Bank

Account number: 013007971

Branch code: 011245

Compulsory reference code: Operator Code

Contact details of person completing the return:		
Tel number:		

#### 2. MOTIVATION

The South African Civil Aviation Authority ("SACAA") proposes to increase Passenger Safety Charge ("PSC") from R12 to R18, which translates into a R6 upward adjustment during the 2011/12 financial year. PSC is charged per passenger ticket purchased from a scheduled air transport operator for a flight that departs from an airport in South Africa to a destination within or outside the borders of South Africa, and is used to assist SACAA to comply with its statutory mandate, which includes safety and security oversight on various entities and certificate/licence holders for the benefit of travelers. This proposed increase comes at a time when general, recreational and commercial aviation is experiencing financial pressures and SACAA is mindful of this.

In raising this tariff, recreational and general aviation needs to be nurtured as it ultimately feeds into the commercial aviation sector. The R6 increase is considered to be a softer approach for supplementing SACAA's revenue as the cost is relatively small for the individual, as opposed to the alternative, besides being a direct beneficiary of SACAA's safety and security oversight. The alternative is to increase user fees and this will impact more on recreational and general aviation sectors in the form of license fees, amongst others. Consequently, if SACAA were to go the alternative route, this will have a greater negative impact on individual pilots and other licensed aviation personnel, Aviation Training Organisations, Aircraft Maintenance Organisations, and Aircraft Owners etc. A further benefit of avoiding user fee increase is to enable and encourage Historically Disadvantaged Persons to easily gain access to the aviation mainstream, by limiting financial barriers of entry. This will in some way contribute towards the transformation of the aviation industry and will directly or indirectly enhance the Government's efforts of empowering those who were previously disadvantaged in this regard.

SACAA has acknowledged that it is highly essential that, going into the future, a proper Financial Model be developed. The envisaged model will create certainty, fairness and predictability with regard to the future adjustments of SACAA's tariffs over a 4 year cycle. The Financial Model will, among others, create a framework within which tariffs are adjusted. It is envisaged that the principles and procedures underpinning any future tariff adjustment will be contained in such a Model. SACAA is in the process of developing a Model and is consulting key stakeholders in this regard.

In order to continue to carry out its mandate of regulating civil aviation and of enhancing civil aviation safety and security as well as overseeing the development of the civil aviation industry, SACAA submits that it is essential that the proposed PSC increase is implemented. SACAA is enjoined to comply with its international obligations on behalf of South Africa, which is a contracting State to the International Civil Aviation Organisation ("ICAO"). To this end, the PSC adjustment will enable SACAA to implement ICAO standards and recommended practices as well as provisions of annexes to the Chicago Convention of 1944.

In the premises, SACAA humbly implores the industry and the public to pledge their support for the proposed PSC increase.