GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF TRANSPORT

NO. 4114

27 November 2023

SOUTH AFRICAN CIVIL AVIATION AUTHORITY

PROPOSAL FOR FUEL LEVY INCREASE IN TERMS OF SOUTH AFRICAN CIVIL AVIATION AUTHORITY LEVIES ACT, 1998

The South African Civil Aviation Authority, in terms of the provisions of section 2(7) of the South African Civil Aviation Authority Levies Act, 1998 (Act No. 41 of 1998), propose to amend the fuel levy Determination, as contained in the Schedule of Amendment below, published in Government Notice No. R1665 of 14 December 1998, as amended by Government Notice No. R.932 of 30 July 1999, Government Notice No. R. 1033 of 27 August 1999, Government Notice No. R. 1101 of 9 November 2005; Government Notice No. R. 473 of 25 April 2008, Government Notice No. 199 of 26 February 2010, Government Notice No. R. 231 of 12 March 2010, Government Notice No. R 317 of 8 April 2011, Government Notice No. R. 511 of 30 June 2014, Government Gazette No. R. 1052 of 22 December 2014, Government Gazette No. R. 1285 of 24 December 2015, Government Gazette No. R. 1286 of 24 December 2015, Government Gazette No. R. 1286 of 24 December 2015, Government Gazette No. R. 1461 of 12 November 2019, Government Gazette No. R.995 of 1 October 2021, Government Gazette No. R48330 of 29 March 2023.

Comments or representations on the proposed amendments must be submitted in writing on or before 30 December 2023 to: The Director of Civil Aviation Attention: Mr Nhlanhla Jali, Private Bag 73 Halfway House, 1685, or e-mail: Jalin@caa.co.za or RDSecretariat@caa.ca.za

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⁷Poppy Khoza Director of Civil Aviation

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SOUTH AFRICAN CIVIL AVIATION AUTHORITY LEVIES DETERMINATION

SCHEDULE OF AMEDNMENT

PROPOSAL FOR THE AMENDMENT OF THE DETERMINATION

- (a) It is hereby proposed to increase the fuel levy with the CPI annual increase for three consecutive financial years commencing on 1 April 2024, 1 April 2025 and 1 April 2026 respectively.
- (b) Based on the forecasted rate the proposed fuel levy tariff increases will be as per the following table:

Fuel Levy Increase Forecast		
YEAR	CPI	CENT/LITRE
2023/2024	4.8%	21.83
2024/2025	4.7%	22.86
2025/2026	4.6%	23.91

Motivation

Over the next 3 years of the MTEF Budget the key focus will be on carrying out the SACAA's mandate by complying with the International Civil Aviation Organization's Standards and Recommended Practices (SARPs) considering the local context. Spending will thus be focused on the administration and continuous improvement of civil aviation safety, security and environment oversight.

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The SACAA proposes to amend the determination for the increase of the fuel levy annually for the next three years. The fuel levy income for the current financial year 2023/2024 is forecasted to decrease by 2.6% when compared to the previous financial year. With the return of commercial airlines, volumes of freight has shifted from cargo flights to cargo holds of scheduled passenger flights which does not generate a fuel levy. Flights in the general aviation and charter business have been impacted severely and are only expected to return to normal levels over the next two financial years. Fuel volumes are expected to remain static over the MTEF budget period, while the fuel levy rate has been budgeted to increase in line with CPI. The latest fee increases of 8.5% from 19.2 cents per liter to 20.83 cents per liter was effective from 1 May 2023 after approval from the Minister of Transport with concurrence by the Minister of Finance.

The SACAA is proposing for the Aviation Fuel levy increase with the CPI annually for a period of three consecutive financial years commencing on 1 April 2024, 1 April 2025 and 1 April 2026 respectively.

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