



**National  
Airports  
Corporation**  
PAPUA NEW GUINEA

## **AERONAUTICAL CHARGES CIRCULAR**

**TO:** ALL AIR OPERATORS  
**FROM:** MANAGING DIRECTOR  
**DATE:** 11 APRIL 2016  
**SUBJECT:** CHANGE IN AERONAUTICAL PRICES

# 1 Background

The National Airports Corporation Limited (NAC) has held prices at the current levels since March 2013, for all Passenger based charges, General Landing Charges, and other fees with exception of a change in August 2013 of:

- a) the introduction/review of aeronautical charges for general aviation for non PNG based aircraft;
- b) a review of general airport parking charges for all aircraft.

These charged under Section 91 of the Civil Aviation Act were deemed effective as of March 2013.

The new prices were introduced with the Revised Conditions of use document on 1 January 2013, with effect from 1 March 2013.

<http://www.nac.com.pg/files/NAC%20Conditions%20Of%20Use%20Agreement%20Final.pdf>

In line with clauses 7.4 and 18.7 in the Conditions of Use (COU) NAC is exercising its right to vary all Aeronautical Charges. NAC has been able to apply CPI from 1/4/2014, and whilst NAC is not proposing to retrospectively apply this there will be a small catch up (mostly rounding) in the new prices.

As per the clause 18.7 the CPI rate used is the rate for the last Quarter in the preceding year prior to the adjustment date. The adjustment date as laid out in the COU is 1 April and the relevant CPI is that of 31 December. Had NAC applied CPI the following prices would have applied as at 1/4/2016.

Aeronautical Price Increases - CPI Restrospectively Applied						
CPI Rate Applicable	31/12/2013		31/12/2014		31/12/2015	
	4.96%		5.22%		6.40%	
	Mar-13	1/04/2014	1/04/2015	1/04/2016		
Safety & Security Charge	10.00	10.50	11.05	11.76		
Pax facilitation Charge - PFC (D)	10.00	10.50	11.05	11.76		
Pax facilitation Charge - PFC (I)	60.00	62.98	66.27	70.52		
Airside Services Charge	10.00	10.50	11.05	11.76		
Transfer/Transit Charge (TTC)	10.00	10.50	11.05	11.76		
General Landing Charge - MTOW (Non-Cargo)	15.98	16.77	17.65	18.78		
General Landing Charge - MTOW (Cargo)	43.00	45.13	47.49	50.53		
Aircraft Parking Charge - MTOW per tonne	10.00	10.50	11.05	11.76		
Airside Escort Charge - Per Hour	50.00	52.48	55.22	58.76		
Airside Environmental Charge - Per Hour	200.00	209.92	220.88	235.02		
<b>Note</b>						
CPI Source 2013 & 2013 BPNG QED Tables						
CPI Source 2015 trading Economics						
TTC of K10 is payable on top of the arriving/departing PFC						

## 2 New Aeronautical Charges – Effective 1 May 2016

However, as previously stated we are not proposing to implement the full change of these CPI adjustments, we are proposing to apply CPI as at 31 December 2015 with a small rounding factor (see table below). The reported CPI for 31 December 2015 is 6.4% as per the link <http://www.tradingeconomics.com/papua-new-guinea/inflation-cpi>

CPI	6.4%			
	Current Pricing	With CPI	New Rate	Actual Increase
Safety & Security Charge	10.00	10.64	10.70	7.00%
Pax facilitation Charge - PFC (D)	10.00	10.64	10.70	7.00%
Pax facilitation Charge - PFC (I)	60.00	63.84	63.90	6.50%
Airside Services Charge	10.00	10.64	10.70	7.00%
Transfer/Transit Charge (TTC)	10.00	10.64	10.70	7.00%
General Landing Charge - MTOW (Non-Cargo)	15.98	17.00	17.00	6.38%
General Landing Charge - MTOW (Cargo)	43.00	45.75	45.80	6.51%
Aircraft Parking Charge - MTOW per tonne	10.00	10.64	10.70	7.00%
Airside Escort Charge - Per Hour	50.00	53.20	53.20	6.40%
Airside Environmental Charge - Per Hour	200.00	212.80	212.80	6.40%

## 3 Right to Appeal

Pursuant to Section 92 of the Civil Aviation Act 2000 (as amended) the revised charges may be appealed on the application to the Department Head of the Department of Transport. More details on the appeal process may be found at the following website:

[Civil Aviation Act 2000](#)