

REGULATION

On application of Discount coefficients to the Airport charges to be collected at Boryspil International Airport when operating international scheduled flights

1 General terms

1.1 This regulation is developed based on the Order of the Ministry of Transport and Communications of Ukraine of 26.03.2008 No.337 «About establishing airport charges for aircraft and passengers handling at Boryspil International Airport State Enterprise» (with changes and amendments).

1.2 This Regulation (hereinafter «Regulation») has been developed to reach the following goals:

- acceleration of the air transportation market recovery at Boryspil International Airport;
- stimulation of hub development
- development of route network to/from Boryspil International Airport;
- increasing competitiveness of Boryspil International Airport;
- increasing revenues of Boryspil International Airport.

1.3 Boryspil International Airport applies Discount coefficients under the principles recommended by the International Civil Aviation Organization (ICAO):

- transparency means open publication of this Regulation to ensure clear and transparent criteria for the application of discount coefficients;
- non-discrimination means equal procedure of this Regulation provisions application for all Air Carriers;
- non-cross-subsidization is ensured by excess of revenues received from each Air Carrier taking into consideration the norms of this Regulation over the cost price of the services provided;
- limitation of this Regulation validity period;
- airport cost-effectiveness;
- consultations with Air Carriers on a regular basis.

1.4 In this Regulation the terms and abbreviations are used in the following sense:

An Air Carrier (or an Airline) is an economic entity that provides air transportation services for passengers, luggage, cargo and mail, and has the appropriate certificate and license;

Airport charges include:

- Passenger charge means a charge for passenger services in the airport terminal collected by the Airport from Air Carriers according to the Airport Charges for aircraft and passengers handling at Boryspil International Airport State Enterprise approved by the Order of the Ministry of Transport and

Communications of Ukraine of 26.03.2008 No.337 (hereinafter «the Order 337»);

- Landing charge means a charge for landing/take-off of aircraft collected by the Airport from Air Carriers according to Subpara. 2.1.2 of the Order 337.

The Airport means Boryspil International Airport State Enterprise, Boryspil airport, Boryspil International Airport;

The Agreement means an agreement (contract), an additional agreement hereto according to which the Airport services are provided and the Airport charges are collected, responsibility for violation of obligations provided by this Regulation is established and which is concluded between Boryspil International Airport State Enterprise and an Air Carrier on the terms and conditions of this Regulation;

Application of Discount coefficient to the Airport charges means a reduction by the airport of the amount of relevant airport charge when selling passenger services at the airport terminal and aircraft landing/take-off services to the air carrier;

A/C – an aircraft;

A Transfer passenger means a passenger who is carried from any airport to Boryspil International Airport by international scheduled flight to transfer (connection) in accordance with the agreement of air transportation, and then is carried within 24 hours from Boryspil International Airport by international scheduled flight to any other airport (apart from the airport from which this passenger arrived to Boryspil International Airport);

A Market means an airport system (or airport system of one city or airports of one city), all airports that belong to the same city according to the IATA Manual (IATA Coding), the electronic version of which is posted on the official IATA website <http://www.iata.org/publications/Pages/code-search.aspx>;

A New International Flight means an international scheduled passenger flight which starts operation from the Airport to a market to which within 12 sequential calendar months coming preceding the date of this first flight operation, not more than 15 international scheduled passenger flights have been operated from Boryspil International Airport. If airlines simultaneously (i.e. within 2 calendar months) start operations of international scheduled flights that meet the above criteria of a new international flight, such flights will be considered as new international flights for these airlines, subject to the terms of this Regulation.

An Agreement for Airport Services Provision means an agreement between two or more parties concerning the establishment, alteration or suspension of civil rights and duties and under which the Airport services are provided to an Air Carrier and charges according to the Order 337 are collected (including ground handling agreements in the form of Annex B in accordance with the IATA Standard Ground Handling Agreement).

1.5 This Regulation is effective from 01.02.2022 till 31.12.2022, except for the Traffic Volumes Growth criterion (Para. 3.3), which is effective from 01.07.2022 till 31.12.2022.

2 Application of Discount coefficients to the Airport charges

2.1 Application of Discount coefficients is carried out on the basis of the Agreement signed between the Airport and an Air Carrier, by multiplying the amount of Discount coefficients by the amount of the relevant Airport charge.

This Agreement is to be concluded on the written request of an Air Carrier (hereinafter «Request») the template of which is provided in Appendix 1 to this Regulation that contains obligations of an Air Carrier set out in the Order 337. The application of discount coefficients under the terms of this Regulation is possible for international scheduled flights of an Air Carrier.

2.2 Application of Discount coefficients according to this Regulation shall be possible only under the condition of making amendments to the existing agreements, which concern termination of application of any other Discount coefficients to the Airport charges when operating scheduled flights, which were effective on the date of this Regulation approval.

2.3 The Discount coefficients to be applied in accordance with the criteria selected by the Air Carrier (Para. 3 of this Regulation) and from the date specified in Air Carrier's Request, but not earlier than from the first day of the month in which such Request was received by the Airport.

2.4 If on the first day of any month during the validity of this Regulation, an Air Carrier has an overdue debt to the Airport for services provided under the Agreement for Airport Services Provision, which arose after conclusion of the Agreement, discount coefficients under this Regulation will not be applied to the Air Carrier during this month.

2.5 The Discount coefficients to be applied in accordance with the criteria specified by the Air Carrier in the Request. However, it is not allowed to combine the criterion defined in Para. 3.3 with the criterion defined in Para. 3.4, and vice versa within the period of validity of this Regulation. The Air Carrier has the right to make a choice in the Request between the criterion defined in Para. 3.3 and the criterion defined in Para. 3.4 only once at the stage of joining to the Regulation. If the Air Carrier simultaneously marked in the Request the criteria that cannot be combined, the Airport returns such Request to the Air Carrier without consideration for further clarification.

3. Criteria for the application of Discount coefficients to the Airport charges

3.1 Operating new international flights

When operating new international scheduled flights by the Air Carrier, a Discount coefficient in the amount of 0.2 will be applied to the Landing charge and the Passenger charge of these flights (except for transfer passengers).

3.2 Attracting Transfer passengers

When carrying Transfer passengers, a Discount coefficient in the amount of 0.2 will be applied to the Passenger charge for these passengers.

3.3 Traffic Volumes Growth

3.3.1 Starting from 01.07.2022, if there is an increase in the number of passengers departed by an Air Carrier on international scheduled flights in the current month compared to the relevant month of the previous year, the increment of passengers departed by an Air Carrier on international scheduled flights in the current month compared to the relevant month of the previous year (hereinafter – Increment1) shall be calculated.

When making such calculations the number of transfer passengers departed on international scheduled flights shall be excluded from the number of passengers departed by an Air Carrier on such international scheduled flights in the current month and in the relevant month of the previous year, and in the current month passengers of new international scheduled flights (to which discount coefficients in accordance with the criterion specified in Para. 3.1 of this Regulation are applied) shall also be excluded.

The Discount coefficient to the Passenger charge in the amount of 0.5 will be applied to the Increment1 on a monthly basis during the period of validity of this criterion.

3.4 Providing Significant Traffic Volumes

3.4.1 The Discount coefficients according to this Subpara. are applied only under the condition the total amount of passengers departed from the Airport by international scheduled flights by all Air Carriers during the current calendar month exceeds the total amount of passengers departed from the Airport by international scheduled flights by all Air Carriers during the relevant calendar month of the previous year.

3.4.2 A Discount coefficient in the amount which depends on the number of passengers departed by an Air Carrier by international scheduled flights within the current calendar month, will be applied to the Passenger charge:

The total number of passengers departed by an Air Carrier in a calendar month by international scheduled flights	The amount of the Discount coefficient applied to the Passenger charge
up to 4 999 passengers	N/a
from 5 000 to 9 999 passengers	0,95
from 10 000 to 19 999 passengers	0,90
from 20 000 to 29 999 passengers	0,85
from 30 000 to 49 999 passengers	0,70
from 50 000 to 69 999 passengers	0,60
from 70 000 to 99 999 passengers	0,50
above 100 000 passengers	0,40

When calculating the total number of passengers departed by an Air Carrier from the Airport, all passengers departed by an Air Carrier on international scheduled flights are taken into account, including Transfer passengers.

The Discount coefficients according to Subpara. 3.4.2 will be applied to the passengers departed by an Air Carrier from the Airport on international scheduled flights within a calendar month, excluding Transfer passengers and passengers to which discount coefficients in accordance with the criterion specified in Para. 3.1 of this Regulation are applied.

3.4.3 A Discount coefficient in the amount which depends on the number of departed international scheduled flights by an Air Carrier within the current calendar month, will be applied to the Landing charge:

The total number of departed international scheduled flights by an Air Carrier in a calendar month	The amount of the Discount coefficient applied to the Landing charge
up to 99 flights	N/a
from 100 to 199 flights	0,95
from 200 to 299 flights	0,90
from 300 to 399 flights	0,85
from 400 to 499 flights	0,80
above 500 flights	0,75

The Discount coefficients according to Subpara. 3.4.3 will be applied to the international scheduled flights departed by an Air Carrier from the Airport within a calendar month, excluding flights to which discount coefficients in accordance with the criterion specified in Para. 3.1 of this Regulation are applied.

IMPORTANT NOTE: In case of any discrepancy between Ukrainian and English texts hereof, the Ukrainian text shall prevail.