

# Economic Regulation for Airports

Board of Directors Resolution No. (37/588)

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# Section 1

## Introduction



## Chapter 1: Definitions

### Article 1: Definition of terms

The following terms, as used in this Regulation, shall have the assigned meanings unless the context indicates otherwise:

1. **'Kingdom'** means the Kingdom of Saudi Arabia.
2. **'Authority'** means the General Authority of Civil Aviation.
3. **'President'** President of the General Authority of Civil Aviation.
4. **'Regulation'** means the Airport Economic Regulation.
5. **'Airport'** means area of land or water; including any buildings, installations and equipment designated, wholly or partly, for the arrival, movement or departure of aircraft.
6. **'Airport User Committee'** means a committee of representatives of air carriers or organizations representing air carriers which utilize airport facilities in accordance with this Regulation.
7. **'Services Provider'** or **'Airport Service Provider'** means an entity providing third parties with one or more categories of ground handling or air cargo services, as per the economic license issued by the Authority.
8. **'Air Carrier'** means an entity offering or operating airlines for passengers, mail and/or cargo carriage.
9. **'National Air Carrier'** means an air carrier established in the Kingdom that holds a national air carrier economic license, issued by the Authority, authorizing to carry by air, domestically or internationally, passengers, mail and/or cargo.
10. **'General Aviation'** means air transport operations for a purpose other than commercial air transport or Aerial work.

11. **'Air Service', 'Commercial Air Service' or 'Commercial Air Carrier'** refers to an air transport flight or series of flights performed by civil aircraft for passengers, mail and/or cargo carriage in return for remuneration or compensation. Services may be either scheduled or chartered.
12. **'Aerial Works'** refers to all aerial activities other than the transport of passengers, mail and/or cargo, such as firefighting, agricultural spraying, aerial photography, or aerial advertising.
13. **'Aircraft'** means any equipment that can derive support in the atmosphere from the reactions of the air, other than the reactions of the air against the earth's surface. Includes both manned and unmanned aircraft.
14. **'Airport Cluster'** shall mean two or more airports grouped together and serving the same city or conurbation.
15. **'Airport User'** means any air carrier that operates at, utilizes the facilities of, or engages in activities in connection with the airport.
16. **'First Line Service Provider'** means an entity that provides essential or primary services directly related to airport operations. These services may include activities such as ground handling or air cargo services that are integral to the daily functions of the airport.
17. **'Airside'** means the part of the airport grounds, and the part of the airport buildings, to which the non-travelling public does not have free access.
18. **'Baggage'** means any personal belongings of passengers or crew that are carried on the aircraft under an agreement with the operator, including both checked and unchecked items.
19. **'Assessment Period'** means a period of time, specified by the Authority, during which the Multi-Year Charges Approval and any other charges as determined by the Authority shall subsist.
20. **'Category A Airport'** means an airport whose annual traffic is not less than (10) million passengers or (125,000) tons of freight.



21. **'Category B Airport'** means an airport whose annual traffic is between (3) million passenger and (10) million passengers or between (125,000) tons of freight and (250,000) tons of freight.
22. **'Category C Airport'** means an airport whose annual traffic is less than (3) million passengers or (25,000) tons of freight.
23. **'Designated Airports'** means such airports designated by the Authority based on relevant factors, to be regulated in line with the provisions specified in this Regulation. This designation may include Class A airports.
24. **'Non-Designated Airport'** means those airports as nominated by the Authority to be regulated in line with the provisions specified in this Regulation.
25. **'Entity'** means Any establishment, company, corporation, consortium or governmental entity, and the term also includes any trustee, custodian, legal commissioner or similar representative of any of them.
26. **'Flight'** means:
- a. With regard to passengers and unchecked baggage, the period of transport of the passengers by aircraft including their boarding and disembarkation,
  - b. With regard to cargo and checked baggage, the period of transport of baggage and cargo from the moment the baggage or cargo is handed to the air carrier until the moment of delivery to the entitled recipient,
  - c. With regard to third parties, the use of an aircraft from the moment when power is applied to its engines for the purpose of taxiing or actual take-off until the moment when it is on the surface and its engines have come to a complete stop; additionally, it shall mean the moving of an aircraft by towing and push-back vehicles or by powers which are typical for the drive and the lift of aircraft, particularly air streams.
27. **'Flight Cycle'** means the operation of an aircraft from take-off to its next landing.

28. **'Force Majeure'** means any event beyond the reasonable control of either party to a contractual agreement, which could not have been reasonably foreseen at the date of the agreement being signed.
29. **'Airport Operator'** means an entity which administers and manages the airport infrastructure, and coordinates and controls activities of the different operators present in the airport or airport cluster concerned. It may also cover, as the case may be:
- a. where an airport or airport cluster is managed and operated not by a single body but by several separate bodies, each of those bodies shall be considered part of the Airport Operator for the purposes of this Regulation; and
  - b. where only a single managing body is set up for several airports or airport clusters, each of those airports or airport clusters shall be considered separately for the purposes of this Regulation.
30. **'On Flight Origin/Destination'** means traffic on a given flight with the same flight number subdivided by airport pairs in accordance with point of embarkation and point of disembarkation on that flight (When the airport of landing for passengers, mail and/or freight is not known, the point of departure of the aircraft is considered as the origin of the flight; similarly, if the airport to which the aircraft is heading to is unknown, the landing point is considered as the destination of the flight).
31. **'Passenger'** means any person who is on a flight with the consent of the air carrier, excluding on-duty members of both the flight crew and the cabin crew.
32. **'Single-Till Methodology'** means the approach where all revenue streams generated by airport operations, including aeronautical and non-aeronautical sources, are taken into account when determining the level of airport charges.
33. **'Dual-Till Methodology'** means the approach where all revenues generated by airport operations are divided into two distinct categories: revenues generated from aeronautical services, and non-aeronautical services. Only the first category is considered when determining the charges for aeronautical services at the airport.



34. **'Hybrid-Till Methodology'** means the approach where both aeronautical and non-aeronautical revenues are partially combined for the purpose of determining aeronautical charges. The exact proportions and elements that are combined vary by application.
35. **'Slot'** shall mean the scheduled time of arrival or departure available or allocated to an aircraft movement on a specific date at an airport coordinated under the terms of this Regulation.
36. **'Scheduling Season'** shall mean either the summer or winter season as used in the schedules of air carriers.
37. **'State Aircraft'** means an aircraft owned by the Kingdom and designated for serving non-commercial public interest purposes, such as Royal, military, and medical evacuation aircraft.
38. **'Charges'** means such charges levied or collected by the Airport Operator, as approved by the Authority, in return for the provision of services.
39. **'Charges Year'** means each year in an Assessment Period.
40. **'Third Country'** means a State other than a Saudi Arabia.
41. **'Total Aircraft Movements'** means all take-offs and landings by non-military aircraft. Includes aerial work flights, i.e., specialized commercial aviation operations which are performed by aircraft chiefly engaged in agriculture, construction, photography and surveying, as well as pilot training, business/executive flying and all other non-commercial flights.
42. **'Committee for the Consideration of Violations of Civil Aviation Law Provisions'** or **'Committee'** refers the committee whose role is to investigate any acts or omissions in contravention to the Civil Aviation Law, and which is responsible for deciding the appropriate penalties for any such acts or omissions.

## Chapter 2: Airports Categorization

### Article 2: Categorization process

1. The Authority categorizes the airports in Saudi Arabia, according to the following classification:
  - a. Designated airports;
  - b. Non-designated airports.
2. The Authority shall consider designating an airport based on factors such as:
  - a. Passenger volume;
  - b. Freight volume;
  - c. Location.

### Article 3: Classification notification

1. The Authority shall publish the categorization of all airports in Saudi Arabia on its official website.
2. The Authority shall notify all concerned Airport Operators of the new categorization and the date upon which it shall be implemented and enforced.
3. The fact that an airport's designation changes from one category to another does not affect any rights or liabilities accruing by virtue of this Regulation before the airport's change in designation.

## Chapter 3: Ownership and Control of Airport Assets

### Article 4: Scope of ownership

1. Assets such as the land upon which all the airports in Saudi Arabia are situated shall be retained as the property of the government, or, as the case may be, that of one or multiple government owned entities.
2. Without prejudice to the Private Sector Participation (PSP) law and its implementation regulation, management of such assets may be granted to private entities through leasing contracts, concession, Public-Private Partnership (PPP) agreements or other similar arrangements.

### Article 5: Role of the Authority

1. The approval of the Authority must be obtained before concluding any legal act or agreements related to such assets, and all necessary information related to it must be submitted to the Authority before commencing its implementation.
2. Parties involved in a transaction referred to in Point (1) above must submit a detailed proposal to the Authority, outlining the nature of the transaction, the parties involved and the terms and conditions of the agreement.
3. The Authority will review and evaluate the proposal, considering factors such as but not limited to:
  - a. Compliance with the Civil Aviation Law and its implementing regulations; and
  - b. Alignment with national interest.
4. The Authority may consult with other relevant government agencies and regulatory bodies, and the Airport User Committee, to obtain their inputs and recommendations on the proposal.

5. Based on its evaluation, in (30) working days the Authority may either:

- a. Approve outright;
- b. Approve with certain conditions that must be met by the parties involved;
- c. Reject the proposal.

# Section 2

## Requirements on the Airport operator



## Chapter 1: Consultations

### Article 6: Airport user and service provider committees

1. The Airport Operator shall set up a committee of representatives of airport users, and a committee of representatives of airport service providers in accordance with this Regulation.
2. All airport users and service providers shall have the right to be on the committee in point (1) above or, to be represented on it by an organization appointed to that effect.
3. The Airport Operator shall ensure that, at least once a year, a consultation relating to the application of this Regulation takes place between itself, the airport user and service provider committees.
4. The Airport Operator must submit to the Authority the outcome of this consultation process no later than one month after it has taken place.



## Chapter 2: Setting Airport Charges

### Article 7: Setting charges for airport services subject to this Regulation

**First:** The Authority shall regulate the setting of charges for specific non-aeronautical services and charges for aeronautical services.

**Second:** Those specific core non-aeronautical services which shall be subject to Regulation shall cover:

1. Property leasing charges for first line service providers; and
2. Airport facility usage charges:
  - A. Shared space for check-in counters; and
  - B. Specialized airport facility access charges.
3. Airport technology and baggage processing charges :
  - A. Baggage management and handling system charges ; and
  - B. Common user terminal equipment and/or airport system usage charges.
4. Airport services and utility charges :
  - A. Essential utility charges (electricity, water, internet, air conditioning); and
  - B. Airside driver license charges ; and
  - C. Staff identity cards and vehicle apron passes.

5. Access-related charges:

- A. Staff car parking charges; and
- B. Public transport access charges ; and
- C. Taxi service access.

**Third:** The charges for aeronautical services subject to Regulation shall cover:

- 1. Building and passenger facility charges; and
- 2. Aircraft energy supply charges, inc. fuel, ground power unit (GPU), and pre-conditioned air (PCA); and
- 3. Aircraft landing and/or take-off charges; and
- 4. Aircraft parking charges; and
- 5. Passenger and aircraft security charges; and
- 6. Special security arrangement charges; and
- 7. Passenger boarding bridge charges; and
- 8. Airside bus transport charges; and
- 9. Access charges to facilities for aircraft based at the airport.

**Fourth:** When setting airport charges, the Airport Operator shall consider the following factors:

- 1. Charges should align with international best practices and standards, and be competitive with global pricing; and
- 2. Charges should incentivize air carriers to operate at the kingdom's airports and utilize its facilities and services; and

3. Taking into account the strategic importance of the airport in terms of its congestion or low traffic levels, and distinguishing—whenever appropriate—between peak times during the season and other periods

**Fifth:** The Authority may decide to add to or remove from the defined service categories defined in this Article and in such cases, the Authority shall publish such changes on its official website, serve notice to each Airport Operator affected by the change and include the date upon which the change shall be implemented and enforced.

**Sixth:** The Authority may determine the standards and controls that govern contracts for warehouses and special facilities related to ground handling.

## **Article 8: Setting charges for non-aeronautical services**

**First:** Requirements for setting non-aeronautical charges subject to Regulation at all airports

The Airport Operator shall follow the cost-relatedness requirement, covering the operating costs, maintenance, and investments associated with the provision of that particular service as well as including a reasonable return on investment when setting for the first time or updating those specific core non-aeronautical services charges as defined in Article (7) Point (2).

**Second:** Process for approving non-aeronautical charges at all airports

1. The Airport Operator shall submit for approval an application to the Authority demonstrating that it complies with the cost-relatedness requirement by providing supporting documentation as listed in Annex (1).
2. Upon due consideration of the application, the Authority may decide to approve or reject the proposed charges; or request remedial actions with respect to the proposed charges.
3. Upon approval by the Authority of any proposed charges, the Airport Operator must provide a notice to all airport users of no less than (90) days prior to the date of their implementation.

## Article 9: Setting charges for aeronautical services

**First:** charges setting process for aeronautical services at designated airports

1. When setting for the first time or updating existing aeronautical service charges, the Operator of a designated airport shall follow the process defined in this Clause. The Airport Operator shall apply one of the following methodologies, as confirmed by the Authority following consultations with the respective Airport Operator:
  - a. Single-till;
  - b. Hybrid-till.
2. The methodology shall be defined and implemented through the Multi-Year Charges Framework, which is used to determine, in advance, and over a period of time, the charges for all the regulated aeronautical services, the implementation of which is detailed in the guidelines issued by the Authority.
3. The Multi-Year Charges Framework defines the:
  - a. Assessment Period; and
  - b. Multi-Year Charges Proposal as the proposal by the Airport Operator to the Authority prior to the start of an Assessment Period for the determination of the Aggregate Revenue Requirement, and Yield per Passenger for a given Assessment Period; and
  - c. Multi-Year Charges Approval as the approved order by the Authority; and
  - d. Annual Charges Proposal as the annual proposal by the Airport Operator submitted to the Authority and containing the calculation for the Estimated Maximum Allowed Yield per Passenger to be recovered during the Charges Year, and the detailed breakdown of the aeronautical charges from which it proposes to recover the Estimated Maximum Allowed Yield per Passenger; and

- e. Annual Charges Approval as the approved order by the Authority, defining the charges for each of the years part of the Multi-Year Charges Approval; and
  - f. Annual Compliance Report as the annual report submitted by the Airport Operator which shall cover the Actual Maximum Allowed Yield per passenger for the Charges Year ended.
4. The Airport Operator shall determine the charges for all the regulated aeronautical services through the:
- a. Aggregate Revenue Requirement, as the overall revenue requirement of the Airport Operator from regulated services determined by the Authority, taking into account:
    - Fair rate of return applied to the forecast Regulatory Asset Base; and
    - Forecast operation and maintenance expenditure; and
    - Forecast depreciation; and
    - Forecast taxation; and
    - Forecast revenue from services other than regulated services, including those services subject to separate controls.
  - b. Estimated Maximum Allowed Yield per passenger as the estimated maximum revenue per passenger allowed to be generated from aeronautical charges by the Airport Operator during a Charges Year; and
  - c. Actual Maximum Allowed Yield per passenger as the actual revenue per passenger allowed to be generated from aeronautical charges by the Airport Operator during a Charges Year and is to be determined after the audited accounts in respect of that Charges Year become available.
5. The Authority shall publish the start and end date of the first Assessment Period and any future changes to the start and end date of the Assessment Period.

6. The Airport Operator shall submit to the Authority for consideration a Multi-Year Charges Proposal prior to the start of each Assessment Period, in line with the timeline specified by the Authority.
7. The Multi-Year Charges Proposal must comply with the price control conditions, in the form and manner as specified in the guidelines issued by the Authority.
8. Prior to the submission to the Authority, the Airport Operator must publish the Multi-Year Charges Proposal, including details related to the associated quality of services provided at an airport that it manages, (60) days prior to it being submitted to the Authority.
9. Where an airport user notifies the applicable regulated Airport Operator of their objection to the Multi-Year Charges Proposal, the Airport Operator must supply the objecting party with their rationale for disagreeing with the concerns expressed in the objection notice.
10. Upon due consideration, the Authority may issue the Multi-Year Charges Approval for the Assessment Period.
11. Following the issuance of the Multi-Year Charges Approval, the concerned Airport Operator shall submit to the Authority its Annual Charges Proposal, no later than (90) days prior to the start of each Charges Year, except for the first Charges Year which shall be submitted to the Authority within (60) days of the approval of the Multi-Year Charges Proposal.
12. The Airport Operator shall publish the Annual Charges Proposal following the same steps as the Multi-Year Charges Proposal outlined in Points (8) and (9) above.
13. Upon due consideration, the Authority may issue the Annual Charges Approval, which shall take effect (30) days from the date of approval.
14. The Airport Operator shall submit an Annual Compliance Report, within (30) days from the date audited information for a Charges Year becomes available, or within six months of the close of the relevant financial year, whichever comes first.



**Second:** Charges setting process at non-designated airports

1. The Regulation outlined in this Clause apply when setting for the first time or updating existing aeronautical charges at non-designated airports.
2. The Operator of each non-designated airport shall set aeronautical charges at levels that aim to encourage traffic growth.
3. The Airport Operator shall undertake user consultations with the Airport User Committee when setting the charges for the first time or updating existing aeronautical charges. The Airport Operator shall reserve for the consultation process a period no less than (30) days from the time complete information is made available to the Airport User Committee and the Authority for reference. At a minimum, the Airport Operator must supply the Airport User Committee and the Authority with information covering:
  - a. details of its intended future aeronautical charges; and
  - b. details of the associated quality of service it intends to provide; and
  - c. information on the components serving as a basis for determining the system or level of all charges proposed, including:
    - A list of the various services and infrastructure provided in return for the aeronautical charges levied; and
    - The methodology used for setting aeronautical charges; and
    - The overall cost structure of the airport with regard to the facilities and services to which aeronautical charges relate; and
    - Details of the revenue from the different components of aeronautical charges and the total costs of the associated services or facilities; and
    - Any financing provided by a public authority in connection with the facilities and services to which aeronautical charges relate; and

- Forecasts for the charges, traffic growth and proposed investments at the airport; and
  - The details of the actual use of the airport infrastructure and equipment over at least the previous (12) months; and
  - The predicted outcome of any major proposed investments in terms of their effect on airport capacity.
4. Following the end of the consultation process, the Airport Operator shall provide the Authority with the final report on the consultation process, which shall include:
- a. Evidence of meeting the charges setting requirement for aeronautical services following the specifications in Annex (1); and
  - b. Areas of concern and remedial actions (where available); and
  - c. Decisions made by the Airport Operator; and
  - d. Justification for the recommendation and the steps for the implementation of the new charges.
5. Upon due consideration, the Authority may decide to Approve or reject the proposed aeronautical charges or request remedial actions with respect to the proposed aeronautical charges.
6. Upon approval by the Authority of any new or updated aeronautical charges, the Airport Operator must provide a notice to all airport users of no less than (90) days prior to their enactment.

## **Article 10: Differentiated services and incentive programs**

1. A "differentiated service" refers to a service or facility provided at an airport to various users, where the quality or scope of the service or facility differs among them.

2. When determining differentiated charges among users - while ensuring non-discrimination- the Airport Operator must apply relevant, Objective, and transparent criteria.
3. The Airport Operator shall not offer air carriers rebates, discounts, or other incentives to airport charges in such cases where it is seeking to expand services at the airport without the prior approval of the Authority. When doing so, the Airport Operator shall ensure that such rebates, discounts, or incentives:
  - a. Are temporary in nature; and
  - b. The costs associated are not allocated to users not benefiting from them; and
  - c. The criteria for awarding them are relevant, objective, transparent and non-discriminatory.

## Chapter 3: Airport Quality Requirements

### Article 11: General provisions of the quality-of-service program

1. This Chapter defines the responsibility of the Authority and the Airport Operator with respect to the provision of airport service quality.
2. The airport quality-of-service program aims to:
  - a. Assess the performance of an airport's quality-of-service; and
  - b. Incentivize Airport Operator to maintain and improve quality-of-service standards; and
  - c. Provide information to users of airport services and facilities as a basis for improved consultation and negotiation on pricing and investment proposals.
3. Under this regulation, the Authority is responsible for:
  - a. Publishing the list of airports subject to quality-of-service program; and
  - b. Defining quality-of-service aspects, and associated criteria used to measure each aspect; and
  - c. Defining quality-of-service targets; and
  - d. Monitoring and reporting quality-of-service aspect performance; and
  - e. Defining and implementing incentive schemes.
4. Airport Operator of all airports subject to the quality-of-service program are responsible for:
  - a. Measuring and reporting to the Authority quality-of-service aspect performance in line with the methodology specified by the Authority; and

- b. Adhering to quality-of-service performance targets and standards; and
- c. Complying with any incentives or penalties imposed by the Authority.

## **Article 12: Airports subject to the quality-of-service program**

1. The Authority shall publish, no later than (90) days prior to the intended start an assessment period:
  - a. The list of airports subject to quality-of-service monitoring and evaluation, and incentive and penalty scheme applicable to each; and
  - b. The start and end date of the assessment period; and
  - c. Reporting frequency of quality-of-service data.
2. The Authority shall provide a notice to all airports that have seen changes to their duties with respect to this regulation.

## **Article 13: Quality aspects and criteria**

1. To effectively monitor and evaluate the quality-of-service at regulated airports, this Regulation define quality-of-service:
  - a. Aspects as the services and facilities that are to be monitored and evaluated; and
  - b. Criteria as the measures used to monitor and evaluate the quality of an aspect.
2. The monitoring and evaluation process of the quality-of-service aspects uses elements such as, but not limited to objective and subjective data.
3. The Authority shall publish, no later than (90) days prior to the start of the assessment period:
  - a. A list containing all aspects to be monitored for the following assessment period; and

- b. Description of the objective and subjective criteria to be used as part of the assessment of all aspects; and
  - c. Other details required for the accurate evaluation.
- 4. In defining the aspects and criteria to be monitored and evaluated for the following assessment period, the Authority may organize a consultation process prior to the intended date of publication, which may include Airport Operator of those airports regulated under the quality-of-service program, Airport User Committee and Airport Service Providers Committee or any of them.

#### **Article 14: Target setting process**

- 1. The Authority may organize a consultation process with the Airport Operator, Airport User Committee, and Airport Service Providers Committee (30) days after the publication of the aspects and criteria to establish the performance targets for the following assessment period.
- 2. The consultation process in point (1) considers:
  - a. Feasibility of targets within existing constraints; and
  - b. Alignment with operational needs of airport users and service providers; and
  - c. Continuous improvement principles; and
  - d. Other relevant criteria.
- 3. Following the end of the consultation process, the Authority shall publish the performance targets concerning the following assessment period for all airports subject to the quality-of-service program and for all aspects being monitored and evaluated.
- 4. Following the consultation process, the Authority may decide:
  - a. To maintain the proposed targets as initially published; or
  - b. To exclude specific aspects or targets that were proposed initially; or



- c. To revise or adjust the proposed targets; or
  - d. To introduce new performance targets or aspects that were not part of the initial proposal.
5. In such cases where the Authority deems it necessary to make changes to any elements published under Point (3) above which are deemed to not have a significant impact on the parties consulted as part of Point (2) above, it may do so by providing at least (14) days notice prior to the intended date of publication.

### **Article 15: Monitoring and evaluation process**

1. The airports subject to the quality-of-service program shall ensure that all aspects published in point (3) Article (13) from this Regulation, have been assessed in line with the instructions published by the Authority, and The results are communicated to the Authority after the end of each evaluation period.
2. Where, at any point, an Airport Operator is not able to provide to the Authority the data required under this regulation, partially or in full and/or before the required data submission date, it shall:
  - a. Inform the Authority no later than the (7) days prior to the required submission date; and
  - b. Provide a justification and suggest a remedial action.
3. The Authority may decide:
  - a. To accept the suggested or propose a new remedial action; or
  - b. Penalize the airport by recording the lowest score for one or more categories of aspects concerned.

Nonetheless, the Airport Operator may not be exempt from any liability related to its obligations to provide the Authority with all required data.

## Article 16: Incentives and penalties

1. All airports subject to the quality-of-service program have an obligation to ensure performance targets are met during the assessment period.
2. In line with the provision in Article (12) Point (1) (a), and unless otherwise communicated by the Authority:
  - a. Designated airports shall be subject to quality-of-service incentive and penalties, as part of the implementation of the Multi-Year Charges Framework; and
  - b. Non-designated airports shall be subject to quality-of-service monitoring and publishing of the quality performance by the Authority.
3. In the case of non-designated airports, where the Authority determines that the airport has failed to meet the quality performance targets set for a particular assessment period, it may decide to:
  - a. Impose a fixed financial penalty; or
  - b. Recommend a reduction in some or all airport charges; or
  - c. Request another remedial action.

## Chapter 4: Consultation Requirements for Airport

### Article 17: Scope of application of airport investment consultations

1. Airport Operator of all airports in Saudi Arabia shall organize consultations with the Airport User Committee and Service Providers Committee on major capital projects planned at the airport with the objective of reaching better and well-informed decisions on the key project planning and implementation, which should be informed on the following:
  - a. Justification for the project, including if it will result in improvement in the quality of service, provision of new facilities among such other improvements; and
  - b. Options for development; and
  - c. Airport traffic forecast and methodology thereof; and
  - d. Project cost estimates and funding, including relevant benchmark information on costs; and
  - e. Likely impact on airport charges, if any, immediate and over the next (5) year period; and
  - f. Proposed funding mechanism.
2. The major capital projects shall be defined as capital investment projects that may represent more than (5%) of the value of the airport assets on the balance sheet or (100) million SAR, whichever is the lower amount.
3. Major capital projects are classified under two categories:
  - a. category (1) projects: which fall between a minimum of (5%) of the value of the airport assets on the balance sheet or (100) million SAR, whichever is the lower amount and maximum of (10%) of the value of the airport assets on the balance sheet or (500) million SAR , whichever is the lower amount;

- b. category (2): projects which fall between minimum of (10%) of the value of the airport assets on the balance sheet or (500) million SAR, whichever is the lower amount and no upper limit.
- 4. Consultations are not mandatory for projects which fall below (5%) of the value of the airport assets on the balance sheet or (100) million SAR, whichever is the lower amount; however, user consultations for such projects are encouraged if airport users and services providers consider that such projects are material to their interests.
- 5. For the purpose of considering the threshold for consultation, a group of related or interdependent projects shall be considered as one project, and as such the consultation process shall not be avoided only because the cost of each project is below the threshold indicated in Point (2) above.

## **Article 18: Consultation process**

- 1. The Airport Operator shall provide all required project information as part of the consultation process in the form of a project investment file to the Airport User and Service Providers Committees and the Authority.
- 2. The stages for consultation go as follows:
  - a. Needs identification stage (stage 1), i.e., when the need for the project is identified, project brief has been developed, and before solutions or options for development are considered; and
  - b. Options development stage (stage 2), i.e., when the solutions for development of identified project needs to be considered and Users have a substantive input into the brief of the project; and
  - c. detail project design stage (stage 3), i.e., when a solution or option for development has been selected and the Users have understanding of such reasons.

3. For category (1) projects, the authority expects user consultations to be completed within an overall timeline of (90) days from the time complete information is made available to the Airport User Committee and Service Providers Committee.
4. For category (2) projects the authority expects user consultations across all three stages of project lifecycle as defined in Point (3) above to be completed within an overall timeline of six months such that at least (90) days have been provided from the time complete information for stage (3) is made available to the Airport User Committee;
5. The Airport Operator shall maintain records of the consultation process, information shared and the Airport User Committee responses for the purpose of review by the Authority.
6. The Airport Operator shall submit to the Authority the final project investment file upon the conclusion of the specified consultation period for each project. The project investment file should incorporate all the information specified in Article (19), along with the following:
  - a. Details of the consultation procedures that have been carried out; and
  - b. Key concerns and any remedial measures taken, if applicable; and
  - c. Decisions that have been made by the Airport Operator; and
  - d. The primary rationale for selecting the final proposal; and
  - e. A detailed plan of the steps for the project's development.
7. In those cases where significant outstanding differences exist between the Airport Operator and the Airport User Committee and Service Providers Committee , the Authority may decide to:
  - a. Intervene to facilitate the consultation process; or
  - b. Direct the Airport Operator to take remedial actions; or
  - c. Direct the Airport Operator to cease the project.

## Article 19: Project investment file

**First:** The Airport Operator shall include in the project investment file detailed information and keep it updated with most recent information or forecast at each stage in the project lifecycle:

1. Needs identification stage (stage 1) shall cover:
  - A. Details on the existing performance or capacity related indicators clearly setting out the rationale for considering new investment concepts; and
  - B. Analysis of the benefits resulting from the investment objectives for both the Airport Operator and the airport users. The benefits of the investment may include increased capacity, improved service levels, operational improvement, etc. and should be quantified wherever possible; and
  - C. Linkages to approved or existing master plan for the airport, establishing the rationale for investment including effect of concession agreements, if any.
2. Options development stage (stage 2) shall cover:
  - A. Identification and evaluation of project development options, both operational and infrastructural; and
  - B. Major assumptions that are being considered setting out the rationale under each option for development, including the timing and phasing of the project, design year, level of service, target outputs in terms of peak hour capacity and performance related measures, implications for airport operations, user operations, and future developments; and
  - C. Cost benefit analyses of the capital investment options for both the Airport Operator and the users and the steps taken to optimize the balance of costs and benefits should also be presented.
3. Detail project design stage (stage 3) shall cover:



- A. Project blueprint/ drawings detailing all relevant features of the proposed project; and
- B. Specific details of alternatives considered and analysis of reasons for choosing the preferred option for key project features; and
- C. Rationale depicting how the project design has addressed the needs identified at the needs identification stage and the impact on efficient airport operational and service quality performance through suitable KPIs; and
- D. An analysis of cost benchmarking with reference to similar past project and external benchmarks; and
- E. Year-wise sources of funding for the project – clearly highlighting the extent of on and off-balance sheet financing and implications on gearing; and
- F. Average actual and forecasted debt rate for the project during the construction phase.

**Second:** In addition to the information detailed in Point (2) above, the Airport Operator shall provide for each project stage:

- 1. Forecast demand in terms of traffic numbers for each of the identified major project, establishing clear linkages to overall traffic forecast for the airport; and
- 2. Details on the forecasting methodology used highlighting all assumptions used in the forecast; and
- 3. Forecasts of costs and other impacts for each project:
  - A. The profile of the annual capital costs; and
  - B. Total capital expenditure (including the phasing) and the anticipated incremental impact upon the operating costs of airport; and
  - C. An analysis of costs into base construction costs and other project/site specific costs; and

- D. Costs associated with the project should bring out details like design requirements as well as the procurement strategy for the project.
4. Projected impact of the project on airport charges over the duration of next (5) years. The impact on airport charges, due to the project, shall be highlighted on an incremental and total basis; and
  5. Projected implications for airport operations, service levels, user operations and future developments; and
  6. Key Risks; and
  7. Information on the overall investment program including principal projects not subject to Airports users committee and Service Providers Committee consultation, to permit them to understand the context of each project.

**Third:** After reviewing the project file, the Authority may direct the Airport Operator to take corrective measures or stop the project.

## Chapter 5: Slot Allocation

### Article 20: Categorization of airports with respect to slot coordination

1. Following consultation with the coordinator and the Airport Operator, the Authority shall categorize airports in Saudi Arabia with respect to slot coordination as:
  - a. Fully coordinated airport (level 3) means an airport where it is necessary for an air carrier to have a slot allocated by a coordinator as the demand for airport slots exceeds the available capacity. Air carriers and operators must adhere to the rules set by the coordinator, and they are required to obtain slots for all their flights in order to operate at these airports;
  - b. Schedules facilitated airport (level 2) means an airport where a slot facilitator has been appointed to facilitate the operations of air carriers operating or intending to operate at that airport. This is done in order to avoid congestion and to ensure the efficient use of airport capacity. This level of coordination is typically applied at airports where capacity constraints exist, but the demand can still be managed without the need for strict scheduling rules;
  - c. Non-coordinated airport (level 1) means an airport where, in order to land or take off, the needs of all airport users can be met without the need for a coordinator.
2. An airport's categorization may be amended when a capacity sufficient to meet actual or planned operations is provided at a schedules facilitated or fully coordinated airport.
3. A new entrant is defined as being:
  - a. An air carrier requesting slots at an airport on any day and holding or having been allocated fewer than four slots at that airport on that day and that air carrier does not hold more than (3%) of the total slots available on the day in question at a particular airport; or

- b. An air carrier requesting slots for a non-stop service between two airports in Saudi Arabia where at most two other air carriers operate a direct service between these airports or airports systems on that day and holding or having been allocated fewer than four slots at that airport on that day for that non-stop service.
4. The Authority shall direct the Airport Operator to carry out a thorough capacity analysis, having regard to commonly recognized methods, as soon as possible at the airport with the purpose of determining possibilities of increasing the capacity in the short term through infrastructure or operational changes, to determine the time frame envisaged to resolve such problems, and to update such analysis periodically, when:
  - a. Air carriers representing more than a half of the operations at an airport and/or the Airport Operator consider that capacity is insufficient for actual or planned operations at certain periods; or
  - b. New entrants encounter serious problems in securing slots.

## **Article 21: The slots coordinator**

1. The slots coordinator is an entity with detailed knowledge of air carrier scheduling coordination with the mandate from the Authority to perform:
  - a. Airport slot coordination at all fully coordinated airports (level 3); and
  - b. Airport slot facilitation at schedules facilitated airports (level 2); and
  - c. Collect data at non-coordinated airports (level 1).
2. If the Authority is responsible for a schedules facilitated or fully coordinated airport, it shall ensure the appointment of a coordinator as defined in Point (1) above as the airport coordinator after having consulted the air carriers using the airport regularly, their representative organizations and the Airport Operators, to ensure impartiality in scheduling time slots and in accordance with availability of capacity. The same coordinator may be appointed for more than one airport.

3. The slots coordinator shall:

- a. Comply with the IATA instructions approved by the Authority related to the allocation of time slots; and
- b. Act in accordance with this Regulation in a neutral, non-discriminatory and transparent way; and
- c. Participate in such international scheduling conferences of air carriers as are permitted by the law of Saudi Arabia; and
- d. Be responsible for the monitoring of slots; and
- e. Ensure that the operating hours of the coordinator coincides with the official operating hours of the airport, and in the case of operations at the end of the week, agree with the Authority on the process of responding and coordinating slots for time sensitive requests.

4. Air carriers operating or intending to operate at a schedules facilitated or fully coordinated airport shall submit to the coordinator relevant information requested by the coordinator.

5. When allocating time slots, the coordinator shall make the following information available at all times, especially during and after slot conferences:

- a. Historical slots by airline, chronologically, for all air carriers at the airport; and
- b. Requested slots (initial submissions), by air carriers and chronologically, for all air carriers; and
- c. All allocated slots, and outstanding slot requests, listed individually in chronological order, by air carriers, for all air carriers; and
- d. Remaining available slots; and
- e. Full details on the criteria being used in the allocation.

## **Article 22: The slots coordination advisory committee**

1. The Airport Operator shall ensure that in an airport that has been classified as fully coordinated a slots coordination committee is set up to assist, in a consultative capacity, the coordinator.
2. Participation in this committee shall be open to at least the air carriers and/or their representative organizations using the airports) regularly, the Airport Operator concerned and representatives of the air traffic control, immigrations and customs.
3. Point (1) may be applied to airports classified as schedules.
4. The same slots coordination committee may be nominated for more than one airport.
5. The tasks of the slots coordination committee shall be, inter alia, to advise on:
  - a. Possibilities for increasing the capacity; and
  - b. Improvements to traffic conditions prevailing at the airport in question; and
  - c. Improvements to the operational performance of air carriers in the previous season; and
  - d. Complaints on the allocation of slots; and
  - e. The methods of monitoring the use of allocated slots; and
  - f. Serious problems for new entrants.

## **Article 23: Airport capacity**

1. At an airport where slot allocation takes place, the Airport Operator shall determine the capacity available for slot allocation twice yearly in cooperation with representatives of air traffic control, customs and immigration authorities and air carriers using the airport and/or their representative organizations and the airport coordinator, according to international best practices.

2. This exercise shall be based on an objective analysis of possibilities of accommodating the air traffic, taking into account the different types of traffic at that airport.
3. The results of this exercise shall be provided to the airport coordinator before the initial slot allocation takes place for the purpose of scheduling conferences.
4. Point (1) may be applied to airports classified as schedules facilitated under the provisions of this Article.

## **Article 24: Process of slot allocation**

The process for slot allocation shall follow the IATA Worldwide Airport Slot Guidelines (WASG) except for where it contradicts any provisions under Chapter (5) and Annex (2) of this Regulation.

## **Article 25: Reciprocity**

The Authority may decide to take appropriate action to rectify the situation at an any airport or airports concerned in the Kingdom, including the total or partial suspension of the obligations contained in this Regulation , on any air carrier from that third country, in such cases where the Authority determines that, with respect to the allocation of slots at airports, that a third country:

- a. Does not grant air carriers based in Saudi Arabia treatment comparable to that granted by Saudi Arabia to air carriers from that country; or
- b. Does not grant air carriers based in Saudi Arabia de facto national treatment; or
- c. Grants air carriers from other third countries more favorable treatment than air carriers based in Saudi Arabia.



## Chapter 6: Conditions of Use

### Article 26: General provisions for conditions of use

1. The Airport Operator shall publish a Conditions of Use document at least (60) days prior to the indented date of implementation.
2. The Conditions of Use document shall outline the terms and conditions for Airport Users and Service Providers.

### Article 27: Conditions of Use content requirements

1. The Airport Operator of each airport shall publish a Conditions of Use document that includes, at a minimum, the following heads of terms:
  - a. Introduction – establishing the purpose, scope and responsible airport authority; and
  - b. Definitions – providing clarity on key terms and phrases used throughout the document; and
  - c. General conditions – outlining the general terms and conditions applicable to Airport Users and Service Providers, including compliance with laws and regulations, safety and security requirements, environmental responsibilities, and liability issues; and
  - d. Operational requirements – detailing the operational rules and procedures for airlines, ground handlers, and other service providers. It may include provisions related to aircraft parking, noise abatement, air traffic control, and emergency response; and
  - e. Charges – outlining the various charges and charges applicable to airport users and service providers, as well as payment terms and conditions; and
  - f. Data provision and reporting – detailing the data exchange requirements between the airport and its users and services providers, including information on flight

schedules, passenger numbers, and cargo volumes, as well as data confidentiality and reporting obligations; and

- g. Insurance and indemnity - specifying the insurance requirements for airport users and service providers and their responsibility to maintain appropriate coverage for their operations. It also addresses the indemnification obligations of users, protecting the airport authority from any claims, damages, or losses resulting from their activities; and
- h. Safety and security – outlining the safety and security responsibilities of airport users and service providers, including compliance with relevant regulations and airport-specific procedures. It may cover aspects such as access control, security screenings, and emergency preparedness; and
- i. Environmental compliance – highlighting the environmental obligations of airport users and service providers, covering areas like waste management, emissions control, and noise restrictions. It emphasizes the users' commitment to minimizing the environmental impact of their operations; and
- j. Ground handling and equipment – outlining the requirements for ground handling services and equipment usage at the airport. It may specify the approved ground handling agents, operational procedures, and equipment maintenance standards; and
- k. Terminal and passenger facilities – addressing the use of terminal buildings, gates, and other passenger facilities. It may cover aspects such as access to facilities, passenger handling procedures, and baggage services; and
- l. Amendments and updates – explaining the right of the Airport Operator to amend or update the Conditions of Use document, outlining the process for notifying airport users and service providers of any changes; and
- m. Violations and penalties – detailing the consequences of breaching the Conditions of Use, including potential penalties, suspension, or termination of access to airport facilities and services. It also clarifies the enforcement mechanisms available to the airport authority; and

- n. Governing law and dispute resolution – establishing the governing law and jurisdiction applicable to the Conditions of Use document. It also describes the dispute resolution process, which may include negotiation, mediation, or arbitration, as well as the steps for escalating disputes to court if necessary; and
  - o. Force majeure – addressing the concept of force majeure, which refers to unforeseen and uncontrollable events that may prevent parties from fulfilling their obligations under the Conditions of Use. It outlines the process for notifying the airport authority of such events and the potential relief from liability that may be granted in such circumstances; and
  - p. Contact information – providing the contact details for the airport authority, including mailing addresses, phone numbers, and email addresses for various departments or personnel responsible for enforcing or addressing issues related to the Conditions of Use.
2. All Airport Operators shall ensure that no provisions in the Conditions of Use document are in contravention of the Civil Aviation Law of Saudi Arabia or any other laws and regulations as relevant.

## **Article 28: Publication and approval process**

1. All Airport Operator in Saudi Arabia must submit for approval to the Authority the proposed Conditions of Use document within (90) days of the publication of this Regulation.
2. Upon due consideration, the Authority may decide to approve the document or direct the Airport Operator to enact amendments.
3. If the Airport Operator is not able to comply with the requirements of Chapter (6), it must inform the Authority no later than (30) days from the required submission date and provide reasonable justification; and Suggest a remedial action.
4. The Authority shall be notified by the Airport Operator with regard to any future updates to the Conditions of Use document, no later than (30) days prior to the intended date of publication.

## Chapter 7: Provision of Statistical Returns

### Article 29: General provisions

1. The Authority shall collect statistical data from airports relating to the following variables, as detailed in Annex (3):
  - a. Passengers; and
  - b. Freight and mail; and
  - c. Flight stages; and
  - d. Passenger seats available; and
  - e. Aircraft movements.
2. The Authority shall establish procedures for the provision of statistical returns on the carriage of passengers, freight and mail by commercial air services as well as on civil aircraft movements to or from airports in Saudi Arabia, except for flights by State aircraft.

### Article 30: Data collection procedure

1. The Authority shall collect all data set out in Annex 3() from all airports in Saudi Arabia with traffic at or in excess of (150,000) passenger units annually.
2. A list of all airports covered by Point (1) above shall be drawn out by the Authority and published on its website.
3. For airports in Saudi Arabia with traffic less than (150,000) passenger units annually, the Authority shall collect only an annual return of the data specified in Table (C1) of Annex (3).

## **Article 31: Notices to provide information**

1. The Authority may request Airport Operators to provide information for the purpose of collecting data within a specified period or periodically.
2. The request must specify the mechanism for submitting the required information, including forms, if any, and the date of submission.
3. The Airport Operator called upon by the Authority to supply information shall be obliged to give true and complete information within the prescribed time limits.

## **Article 32: Data confidentiality protection**

1. The Airport Operator shall provide the appropriate technical and organizational measures, which safeguard against the unauthorized or unlawful processing of personal data, and against accidental loss or destruction of, or damage to, personal data.
2. On occasions when third-party organizations process personal or sensitive personal data on behalf of the Airport Operator, the Airport Operator shall take appropriate arrangements to safeguard data confidentiality.

# Section 2

## Final Provisions





## Chapter 1: Violations and Penalties

### Article 33: Monitoring and compliance

The Authority is responsible with the oversight of the implementation of this Regulation, as well as monitoring violations and implementing penalties on violators.

### Article 34: Procedures of Complaints and violations

1. Any individual or entity may file a complaint to the Authority with respect to any violation of any provision within this Regulation.
2. The Authority shall notify the concerned party of the complaint, which is obliged to provide a response within the timeframe stipulated in the notice.
3. Upon the Authority's reception of the response to the complaint, it may pursue one of the following courses of action:
  - a. Issue a notice directing the violator to apply corrective measures; or
  - b. Render a decision to reject the complaint, provided with appropriate justification; or
  - c. Refer the matter to the Committee for consideration of breaches under the Civil Aviation Law.
4. If the relevant party fails to respond within the designated timeframe, the Authority will make a decision based on the information currently available.
5. The Committee has the responsibility to examine violations of the provisions contained within this Regulation and to determine any appropriate penalties according to the Civil Aviation Law.
6. The decision made by the Committee will be submitted to the president of GACA for approval.
7. The Committee's decisions may be appealed to the Board of Grievances within the time period specified to the relevant parties.



# Annexes



## Annex (1) – Charges setting submission requirements

**First:** When setting for the first time or updating non-aeronautical charges for services subject to Regulation, all the Airport Operators shall demonstrate compliance with cost relatedness requirement by providing the following evidence:

1. Pricing methodology documentation: documentation outlining the pricing methodology used to determine charges, detailing how costs are factored into the final charges; and
2. Detailed cost breakdown: comprehensive breakdown of costs associated with each service, including operating costs, maintenance, investments, depreciation, and other relevant expenses; and
3. Financial returns: documentation outlining the financial returns factored into the pricing methodology; and
4. Historical pricing data: historical pricing data, adjustments made over time, and any changes in service quality to demonstrate consistent application of the cost relatedness principle; and
5. Depreciation schedules: depreciation schedules for relevant assets, illustrating how the depreciation costs are factored into the charges and ensuring that the airport recovers these costs over time; and
6. Financial forecasts and projections: financial forecasts and projections to the Authority, outlining anticipated costs, investments, and service improvements, as well as the expected impact on charges; and
7. Justification for cost allocation: justification for any unique cost allocations or exceptional circumstances that may affect the cost relatedness approach.

**Second:** When setting for the first time or updating aeronautical charges, the Airport Operator of the non-designated airports shall demonstrate compliance with the set requirement by providing to the Authority:

1. Pricing methodology documentation: documentation outlining the pricing methodology used to determine charges, detailing how costs are factored into the final charges; and
2. Detailed cost breakdown: comprehensive breakdown of costs associated with each service, including operating costs, maintenance, investments, depreciation, and other relevant expenses; and
3. Financial models and projections, including detailed revenue and cost assumptions, to demonstrate that how the proposed charges will support the airport's financial sustainability, including any financing provided by a public authority; and
4. Analysis of the airport's current and projected capacity utilization, including passenger and aircraft movements, and measures taken to optimize capacity; and
5. Evidence of investments made or planned in improving infrastructure, services, and technology to provide a better experience for passengers and airlines; and
6. Evidence of consultation with key stakeholders, such as airlines, airport users, and investors, to ensure that the proposed charges are set at levels designed to incentivize traffic growth.

## Annex (2) – Slot Allocation Process

### First: Slot Allocation Procedures

1. Subject to the provisions of clause Third of this Annex, slot that has been operated by an air carrier as cleared by the coordinator shall entitle that air carrier to claim the same slot in the next equivalent season.
2. In situations where all slot requests from all air carriers cannot be accommodated, preference should be given to scheduled commercial air service providers.
3. If a requested slot cannot be accommodated, the coordinator shall inform the requesting air carrier of the reasons therefore and shall indicate the nearest alternative slot.
4. The coordinator shall, at all times, endeavor to accommodate ad hoc slot requests for any type of aviation including general aviation. To this end, the slots available in the pool referred to in clause Third of this Annex but not yet allocated may be used, as may slots liberated at short notice.
5. Slot allocation during Hajj shall be done in accordance with the Regulation outlined in the instructions for transporting pilgrims by air.
6. Slots may be exchanged between air carriers or transferred by an air carrier from one route, or type of service, to another, by mutual agreement or as a result of a total or partial takeover or unilaterally only with approval from the Authority.
7. Slots allocated to new entrants operating a service between two airports in Saudi Arabia may not be exchanged or transferred between air carriers or by an air carrier from one route to another for a period of two seasons without the Authority's approval.
8. Where there are complaints about the allocation of slots, the coordination committee shall consider the matter and may make proposals to the coordinator in an attempt to resolve the problems.

## **Second: Slots on domestic development routes**

1. The Authority may reserve certain slots at a fully coordinated airport for domestic scheduled services:
  - a. on a route to an airport serving a peripheral or development region in its territory, any such route being considered vital for the economic development of the region in which the airport is located, on condition that:
    - the slots concerned are being used on that route at the time of entry into force of this Regulation; and
    - only one air carrier is operating on the route; and
    - no other mode of transport can provide an adequate service; and
    - the reservation of slots shall end when a second air carrier has established a domestic scheduled service on the route with the same number of frequencies as the first air carrier and operated it for at least a season;
  - b. on routes where public service obligations have been imposed.
2. Ahead of each season, the Authority will publish a list of routes for which slots have been so reserved at a fully coordinated airport.

## **Third: Slot pool**

1. A slot pool represents a collection of slots that are either unused, newly created, or recently given up by an air carrier during, or by the end of, the season or which otherwise become available.
2. At any fully coordinated airport, a pool shall be set up for each coordinated period.
3. Any slot not utilized shall be withdrawn and placed in the appropriate slot pool unless the non-utilization can be justified by reason of the grounds of the grounding of an aircraft type, or the closure of an airport or airspace or other similarly exceptional case.

4. Slots which are allocated to an air carrier for the operation of a scheduled service or a programmed nonscheduled service on a particular moment of a day and for the same day of the week over a recognizable period up to one scheduling period shall not entitle that air carrier to the same series of slots in the next equivalent period, unless the air carrier can demonstrate to the satisfaction of the coordinator that they have been operated, as cleared by the coordinator, by that air carrier for at least (80%) of the time during the period for which they have been allocated.
5. If the (80%) usage of the series of slots cannot be demonstrated, all the slots constituting that series shall be placed in the slot pool, unless the non-utilization can be justified on the basis of any of the following reasons:
  - a. Unforeseen situations that are beyond the control of the air carrier, leading to circumstances such as the closure of an airport or airspace, or any practical or technical situation that makes it impossible to carry out operations as planned; or
  - b. Problems relating to the starting up of a new scheduled passenger service; or
  - c. An interruption of a series of non-scheduled services due to cancellations by tour operators, in particular outside the usual peak period, provided that overall slot usage does not fall below (70%).
6. Slots allocated to an air carrier before (31 January) for the following summer season, or before (31 August) for the following winter season, but which are returned before those dates shall not be taken into account for the purposes of the usage calculation.
7. Slots placed in the pools shall be distributed among applicant carriers. (50%) of these slots shall be allocated to new entrants unless requests by new entrants are less than (50%).
8. A new entrant which has been offered slots within one hour before or after the time requested but has not accepted this offer shall not retain the new entrant status.

## Annex (3) – Provision of statistical returns data submission

1. Flight stage database (at least quarterly data) – “flight stage” data refer to commercial air services only. Data file format below:

Elements	Coding detail	Nomenclature	Units
Table	2-alpha	A1	
Reference year	2-alpha	yy	
Reference period	2-alpha	(2) quarter or month	
Reporting airport	4-alpha	(3) ICAO	
Next/previous airport	4-alpha	(3) ICAO	
Arrival/departure	1-digit	1=arrival 2=departure	
Scheduled/non-scheduled	1-digit	1=scheduled 2=non-scheduled	
Passenger services/all-freight and mail services	1-digit	1=passenger 2=all-freight and mail	
Airline information			
Aircraft type	4-alpha	(4) ICAO + taxiflight code	
Passengers on board	12-digit		Passenger
Freight and mail on board	12-digit		Tone
Flights	12-digit		Flight
Passenger seats available	12-digit		Passenger seat



2. On flight origin/destination database (at least quarterly data) – the “on flight origin and destination” data refer to commercial air services only. Data file record format.

Elements	Coding detail	Nomenclature	Units
Table	2-alpha	B1	
Reference year	2-alpha	yy	
Reference period	2-alpha	(2) quarter or month	
Reporting airport	4-alpha	(3) ICAO	
On flight origin/destination airport	4-alpha	(3) ICAO	
Arrival/departure	1-digit	1= arrival 2=departure	
Scheduled/non-scheduled	1-digit	1=scheduled 2=non-scheduled	
Passenger services/all-freight and mail services	1-digit	1=passenger 2=all-freight and mail	
Airline information			
Passengers carried	12-digit		Passenger
Freight and mail loaded/unloaded	12-digit		Tone

3. Airport database (at least annual data) – “airport data” refer to commercial air services only, with the exception of “total aircraft movements” which refers to all aircraft movements.

Data file record format:

(1) :

Elements	Coding detail	Nomenclature	Units
Table	2-alpha	C1	
Reference year	2-alpha	yy	
Reference period	2-alpha	(2) quarter or month	
Reporting airport	4-alpha	(3) ICAO	
Total passengers carried	12-digit		Passenger
Total direct transit passengers	12-digit		Passenger
Total freight and mail loaded/unloaded	12-digit		Tone
Total aircraft movements on commercial air services	12-digit		Movement
Total aircraft movements	12-digit		Movement

(2) Reference period:

- (21) – January to March (first quarter)
- (22) – April to June (second quarter)
- (23) – July to September (third quarter)
- (24) – October to December (fourth quarter)
- (1 to 12) January to December (month)

(3) Airports shall be coded according to ICAO four-letter codes as listed in ICAO document (7910).

(4) Aircraft type shall be coded according to ICAO aircraft type designators as listed in ICAO document (8643).

# Thank You

