



FIJI COMMERCE COMMISSION

**HEAD OFFICE & CENTRAL EASTERN
DIVISION**

Level 1 Garden City Complex, Ralwal,
Suva.

P O Box 5031, Ralwaqa, Suva.

Phone: (679) 337 2178

Fax: (679) 337 2389

Email : helpdesk@commcomm.gov.fj

Website: www.commcomm.gov.fj

WESTERN DIVISION

1st Floor, Downtown Holdings Bldgs,
155 Vitogo Parade,

P O Box 594, Lautoka

Telephone/Fax: (679) 666 1853

NORTHERN DIVISION

Lot 3, Silas Ramzaan Street,

P O Box 262, Labasa

Telephone/Fax: (679) 881 1155

Final Determination

Aeronautical Fees and Charges

Airports Fiji Limited

Date Issue: 12 December 2013

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Promoting Competition in the Fiji Markets

1.0 Introduction

- 1.1 On 04 January 2012, the Fiji Commerce Commission ("Commission") released the final determination for aeronautical fees and charges by Airports Fiji Limited ("AFL"). The determination authorized the specified charges for the period ending 31 December 2012 except for Air Navigation charges which has the validity till August 2013.
- 1.2 On 13 December 2012, the Commission after analyzing AFL's detailed submission dated 07 December 2012 released the final determination for aeronautical fees and charges to be effective from 01 January 2013 till 31 December 2013.
- 1.3 On 10 September 2013, the Commission called for submission on the review of AFL fees and charges in reference to the Commission's final determination dated 13 December 2012 that the authorized fees and charges expires on 31 December 2013. In addition, the Commission also requested for a formal submission on the following fees and charges by 02 October 2013:
- (i) International and Domestic Parking fees;
 - (ii) Incinerator fees;
 - (iii) Airports Development charge and Airports Security charge; and
 - (iv) Fuel concession.
- 1.4 As part of the formal submission including full details of the cost structure, business model and proposed appropriate rate for the Commission to consider in an effort to make an informed decision, the Commission also requested AFL to furnish the mandatory Capital Expenditure information which was provided by AFL as the basis for the price review for the 2010 Determination with all evidence(s).
- 1.5 On 23 September 2013, AFL requested for the extension of the submission deadline and the Commission approved the deadline till 10 October 2013.
- 1.6 AFL has not made any submission for the review of the Aeronautical Fees and Charges and noting that the current determination expires on 31 December, 2013, the Commission has made this determination. The fees and charges in the new determination has been held the same as those expiring on 31st December, 2013.

2.0 Legal Framework

- 2.1 The Commission is empowered under the *Commerce (Control of Prices for Aeronautical Services) Order 2009* to control and /or regulate the aeronautical services in Fiji.
- 2.2 Paragraph 3 of the said Order specifically authorises the control and/or regulation of prices for the supply of aeronautical services in Fiji.

2.3 The Commerce (Control of Prices for Aeronautical Services) (Amendment) Order 2013 authorises the Commission to regulate and control prices for three (3) years which expire on 21 June 2016.

3.0 Commission's Determination

The Commission has authorised the following respective charges for AFL to be effective from 01 January 2014. These fees and charges are to expire on 31 December 2014.

3.1 Air Navigation Charges

The air navigation charge is also called En-route charge which is applied to all aircrafts flying in Nadi Flight information Region (FIR), whether landing or not.

Table 1: Air Navigation Charges

Description	Current Tariff (VEP)	Commission's Authorized Tariff (VEP)
Enroute Service Unit fee	Sept 2011- Dec 2013 \$3.45	01 Jan 2014 - 31 Dec 2014 \$3.45

3.2 Terminal Navigation Fee

A Terminal Navigation Fee is paid for a flight in a terminal control area, control zone or flight information zone of an aerodrome and using air traffic control services and or flight information service.

Table 2: Terminal Navigation Fee

Description	Current Tariff (VEP)	Commission's Authorized Tariff (VEP)
Cost per MCTOW (International & Domestic)	01 Jan 2013- 31 Dec 2013 \$4.02	01 Jan 2014- 31 Dec 2014 \$4.02

Note: MCTOW: Maximum Certified Take-off Weight

3.3 Airfield Charges - Domestic Landing Fee

Domestic Landing fee is the landing charges, which is based on the weight formula for domestic flights, using the Maximum Certificated Takeoff Weight (MCTOW) as indicated in the certificate of airworthiness.

Table 3: Airfield Charges - Domestic Landing Fee

Description	Current Tariff (VEP)		Commission's Authorized Tariff (VEP)	
	01 Jan 2013- 31 Dec 2013		01 Jan 2014- 31 Dec 2014	
Cost per MCTOW	Tonnage			
	< 15	\$2.53	\$2.53	
	15 < 25	\$4.11	\$4.11	
	25 < 50	\$5.99	\$5.99	
	50 <	\$12.99	\$12.99	

3.4 Airfield Charges - International Landing Fee

International Landing fee is the landing charges, which is based on the weight formula for international flights, using the Maximum Certificated Takeoff Weight (MCTOW) as indicated in the certificate of airworthiness.

Table 4: Airfield Charges - International Landing Fee

Description	Current Tariff (VEP)		Commission's Authorized Tariff (VEP)	
	01 Jan 2013- 31 Dec 2013		01 Jan 2014- 31 Dec 2014	
Cost per MCTOW	Tonnage			
	< 15	\$3.25	\$3.25	
	15 < 25	\$5.27	\$5.27	
	25 < 50	\$7.80	\$7.80	
	50 <	\$16.46	\$16.46	

3.5 Incinerator Fees

Incineration fees is levied on aircrafts for the safe removal and disposal of excrement, refuse, water, waste, unused and condemned food and other dangerous materials to health.

Table 5: Incinerator Fees

Aircraft Capacity	Current Rate (VEP)	Commission's Authorised Rate (VEP)
For aircraft carrying passengers up to 100	\$20.00	\$20.00
For aircraft carrying passengers up to 101 to 200	\$37.00	\$37.00
For aircraft carrying passengers from 201 to 300	\$52.00	\$52.00
For aircraft carrying passengers over 300	\$75.00	\$75.00

3.6 International and Domestic Parking Fees

International and Domestic Parking Fees refer to the charges payable in respect to the aircraft parked at the airport.

Table 6: International and Domestic Parking Fees

Description		Current Tariff (VEP)		Commission's Authorized Tariff (VEP)	
		01 Jan 2013- 31 Dec 2013		01 Jan 2014- 31 Dec 2014	
Cost per MCTOW	Tonnage	First three hours free of charge Not in excess of		First three hours free of charge Not in excess of	
		six hours	In excess of six hours	six hours	In excess of six hours
	< 9	Nil	\$1.00	Nil	\$1.00
	9 < 50	\$15.00	\$5.00	\$15.00	\$5.00
	50 < 100	\$30.00	\$10.00	\$30.00	\$10.00
	100 <	\$60.00	\$20.00	\$60.00	\$20.00

3.7 Airport Development Charge and Airport Security Charge

The airport development fee is used to pay for the terminal building development and maintenance which is allocated to the Non-Contestable Terminal (NCT) business unit, where passengers are processed on departure and arrival.

The airport security fee is levied on departing passengers to recoup the security expense incurred by AFL.

Table 7: Airport Development Charge and Airport Security Charge

	Current Rate (VEP)	Commission's Authorized Rate (VEP)
Airport Development Charge	\$5.00	\$5.00
Airport Security Charge	\$5.00	\$5.00

3.8 Fuel Concession Fee

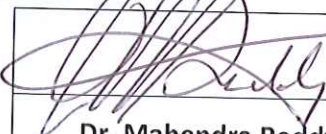
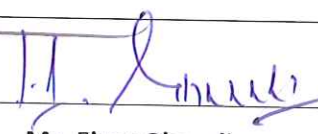
Joint User Hydrant Installation (JUHI) venture participants pay to AFL a fuel concession fee per month of fuel throughput for the use of the provision of certain facilities by AFL and the licence to sell aviation fuel.

Table 8: Fuel Concession Fee

	Current Fee (VEP)	Commission's Authorized Fee (VEP)
Fuel Concession Fee (\$/litre)	\$0.005	\$0.005

The above or any other charges by Airports Fiji Limited will remain the same and no new charges will be introduced unless authorised by the Commission.

Commissioners:

	
Dr. Mahendra Reddy	Mr. Firoz Ghazali
Chairman	Commissioner
12 December 2013	12 December 2013

Date Issue: 12 December 2013

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