

/ AIRPORT CHARGES – REGIONAL AIRPORTS

Valid from April 1st 2020



TABLE OF CONTENTS

1. Introduction.....	3
2. Definitions	4
3. Airport Charges.....	5
3.1 Landing Charges	5
3.2 Passenger Charges.....	5
3.3 Aircraft Parking Charges.....	6
3.4 Security Charges	6
3.5 Charge For Service Outside Of service Hours.....	7
4. Other charges And Taxes.....	8
5. The Icelandic Route Development Fund	8
6. Payment Of Charges	8
6.1. Methods Of Payment	8
6.2. Interests On Late Payments	9
6.3. Value Added Tax.....	9
7. Further information.....	10

1. INTRODUCTION

Isavia handles the operation and development of all airports in Iceland and, manages air traffic in the Icelandic control area that has a size of 5,4 million square kilometers, which makes it one of the largest in the world.

In this document, the airport authority details the charges for services at regional airports from April 1st 2020. The charges have been approved by The Ministry of Transport and Local Government.

The terms of service are according to instructions from ICAO regarding airport charges, directive from the European Union about airport charges and Icelandic aviation law regarding airport charges provisions.

2. DEFINITIONS

Aircraft includes fixed wing aircraft and helicopters plus any parts and accessories, equipment and stores.

Aircraft parking charge refers to the charges in section 0.

Airport refers to any regional airport.

Airport charges refers to the charges in section **Error! Reference source not found.**

Airport security charges refers to the charge in section 0.

Charges refers to the charges in section **Error! Reference source not found.** as amended or notified from time to time.

Charges for service outside of opening hours refers to the charges in section 0.

Departure charges refers to the charges in section 0.

Handling agent any person, firm or company appointed by an operator to perform any or all the ground handling functions or an operator who performs self-handling.

Landing refers to an aircraft landing.

Landing charges refers to the charges in section 0.

Maximum take-off weight (MTOW) is the maximum allowed and registered take-off weight of the aircraft, permitted in the State of registration of the aircraft. If the aircraft has a variable maximum take-off weight or several registered maximum take-off weights, only the highest registered MTOW will be considered.

Operator is the person, firm or company that for the time being manages an aircraft.

Parking time is the time during which an aircraft is parked at the stand assigned to it.

Passenger refers to terminal passengers, transfer passenger and transit passengers.

Passenger charges refers to the charges in section 0.

Terminal passenger a passenger joining or leaving an aircraft at the airport. Terminal passenger includes transfer passenger.

Transfer passenger a passenger identified by a handling agent who arrives at the airport by one aircraft and departs the airport on another aircraft on a different flight number.

Transit passenger a passenger who arrives in and departs from the airport on the same aircraft with the same flight number. Passengers who change aircraft because of technical or operational issues but continues on a flight with the same flight number are still counted as transit passengers.

3. AIRPORT CHARGES

Following are the airport charges for the regional airports.

3.1 LANDING CHARGES

A landing charge is collected for each aircraft landing at regional airports. The landing charge is based on the aircraft maximum take-off weight (MTOW), rounded up to the nearest 1.000 kg.

The landing charges are as follows:

Airport	per MTOW ton (ISK)
Reykjavík Airport	1.175
Other Airports	565

Exemptions:

- a) Aircraft operated in search and rescue services.
- b) Aircraft which land after test flight following repair work, provided that no landings have taken place at other airports.
- c) Aircraft which carries Heads of State.
- d) Aircraft owned or operated by the Icelandic State.
- e) Aircraft that is below 2.000 kg.

3.2 PASSENGER CHARGES

Passenger charge is charged for each departing passenger by aircraft on scheduled and charter flights.

The departure charges for each departing passenger are as follows:

Charge for each departing	Reykjavík Airport (ISK)	Other Regional Airports (ISK)
12 years old and above	1.410	650
2-11 years old	790	320

Exemptions:

- a) Infants under 2 years old.
- b) Registered aircraft crew.
- c) Transit passengers.

3.3 AIRCRAFT PARKING CHARGES

There is no parking charge for parking aircraft 6 hours or less.

For parking aircraft for more than 6 hours, the following parking charge shall be paid for the period of parking, from landing to takeoff. The parking charge is based on the aircraft maximum take-off weight (MTOW), rounded up to the nearest 1.000 kg.

Parking time	per MTOW ton (ISK)
First 6 hours	Free of charge
6 – 24 hours from arrival	1.365 (per 1.000 kg MTOW)
Next 24 hours from arrival	1.365 (per 1.000 kg MTOW)
Each 24 hours after the 48 first	835 (per 1.000 kg MTOW)

Exemptions:

- a) Aircraft operated in search and rescue services.
- b) Aircraft which land after test flight following repair work, provided that no landings have taken place at other airports.
- c) Aircraft which carries Heads of State.
- d) Aircraft owned or operated by the Icelandic State

3.4 SECURITY CHARGES

Charged for departing passengers on international flights, that are subject to security screening.

Charge for each departing	Charge (ISK)
12 years old and above	1.695
2-11 years old	875

Security charge for screening of cargo on international flights, that is subject to security screening.

Charge for screening of cargo	Charge per kg (ISK)
Cargo on international flights	25

Exemptions for passengers:

- a) Children under 2 years.
- b) Transfer & transit passengers.
- c) Flight crew on active duty.

3.5 CHARGE FOR SERVICE OUTSIDE OF SERVICE HOURS

Fee for services outside the service hours. The service hours and terms for each regional airport is listed in <http://eaip.samgongustofa.is/>

Airports	Period	Charge (ISK)
Reykjavík and Akureyri Airports*	16 April – 14 October	72.795
Reykjavík and Akureyri Airports*	15 October – 15 April	104.880
Other Regional Airports	16 April – 14 October	40.175
Other Regional Airports	15 October – 15 April	56.760

No exemptions

**From 1st of April 2020: When ATC service is requested at Akureyri Airport between 17:00 and 23:00 hours, 46.840 ISK will be charged.*

4. OTHER CHARGES AND TAXES

Domestic En-route charge is charged in the domestic area, see the following link:

<https://www.isavia.is/en/corporate/air-navigation/air-navigation-charges>

Charges for services provided by Isavia that are not listed above are based on actual costs.

Airport users should notice that the Directorate of Customs collects a fee on aircraft arrivals if outside the normal business hours of the Directorate.

For details see following link to the Directorates charging scheme:

<https://www.tollur.is/english>

Disclaimer: Users should notice the fact that Isavia's charging scheme only reflects charging for services directly provided by the Company and does not indicate charging by other private or public entities providing services at the regional airports.

5. THE ICELANDIC ROUTE DEVELOPMENT FUND

The Icelandic government is offering substantial route support for Akureyri International Airport in the North and Egilsstaðir International Airport in the East. The objective of the Fund is to support the development of new flight routes to Iceland and to enable regular international flights through the international airports at Akureyri and Egilsstaðir. The support has been advertised by the Ministry of Industries and Innovation.

Further information can be found on the following link: <https://www.government.is>

6. PAYMENT OF CHARGES

6.1. METHODS OF PAYMENT

The customer shall agree on the method of payment with Isavia. Unless otherwise agreed with Isavia, payment of charges will be due immediately after the service has been provided, and shall be paid to Isavia before departure from airport. Isavia only accepts payments via Ground handling Agent in cases where such payments are based on a formal agreement between Isavia and the Ground Handling Agent. Isavia may require advance payment or a bank guarantee from all air carriers who have not been Isavia's customers for the last 12 months or who have had earlier disruption of payment. In that case the advance payment or bank guarantee must be delivered to Isavia before the operations are started. To ensure the payment of charges, Isavia may decide to require an advance payment or acceptable guarantee.

Payment on invoice

Air traffic charges can be paid afterwards by invoice only if agreed in advance with Isavia. The invoices will be sent to the address provided by the customer. The payment must be made to Isavia's bank account by the due date, which is 30 days from the date of the invoice, see 9.1. Any remarks on invoices must be made within 6 months of the date of the invoice.

Advance payment

The advance payment must cover all air traffic charges for the series of flights. Please notice that prepayment is only an estimation of the future charges. In case the advance payment does not cover all charges, an additional payment is required. Overpayments will be credited to the operator after the series of flights have ended. The invoices are sent to the operator for book-keeping. Isavia pays no interests on advance payments.

Bank guarantee

The bank guarantee must cover all air traffic charges for the series of flights. If the duration of the series of flights is more than three months, the guarantee must cover air traffic charges for at least three months. Moreover, the bank guarantee must be valid for at least three months after the series of flights end. If the series of flights continue for an undetermined time the bank guarantee covering the charges for three months must be valid for at least one year from the beginning of the flight series. Isavia may, at its own discretion, also require that the guarantee must be valid for an undetermined time. Isavia's specific acceptance for the bank guarantee must always be obtained before the flight or series of flights begin. The bank guarantee must be irrevocable, i.e. first demand guarantee, and the issuing bank must be accepted by Isavia. Isavia reserves the right to accept or reject the guarantee offered. When Isavia has received an acceptable bank guarantee, air traffic charges can be paid afterwards by invoice.

6.2. INTERESTS ON LATE PAYMENTS

In case of late payment, penal interests may be charged from the time of delay. The penal interest rate is as specified in Act No. 38/2001 on interests and indexation.

6.3. VALUE ADDED TAX

Value added tax for the state will be added to the charges where applicable in accordance with Act No 50/1988 on Value Added Tax.

7. FURTHER INFORMATION

These airport charges will be effective from April 1st 2020. Isavia will review the charges annually.

Isavia reserves the right to change these terms of service at any time.

Isavia is not responsible for typos or other errors contained in this document.

Invoices for airport charges at regional airports will be issued by Isavia ohf.

Please contact innheimta@isavia.is for inquiries about invoices.

Please contact regionalairports@isavia.is for further information.