

Guideline to the mechanism for determining charges for airport services



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الهيئة العامة للطيران المدني
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Contents

Section 1: Preliminary Provisions	3
1.1 Introduction.	4
1.2 Scope of Application	4-5
1.3 Terms & Definitions	6-16
Section 2: Mechanism for determining fees for airport services	18
2.1 Main principles in determining charges	18
2.2 Procedures for submitting and reviewing wage proposals	18-19
2.3 Requirements and information required to be provided in the wage proposal	19-22
2.4 Submitting the business plan.	22
2.5 Benchmarking	23
2.6 Mechanism for setting differentiated wages for services and incentives program	23
Section 3: General Provisions	24-25
Annexes	26
Annex 1 - Template for current and proposed charges for aeronautical services	27
Annex 2 - Template for current and proposed charges for non-aeronautical Services	28
Annex 3 - Template for Profit and Loss Statement	29-31
Annex 4 - Template for submitting balance sheet for airport operators	32
Annex 5 - Template for submitting Weighted Average Cost of Capital	33
Annex 6 - Template for submitting profitability analysis for airport operators	34
Annex 7 - Template for submitting passengers and ATM forecast	35-36
Annex 8 - Template for current and projected capacity at the airport	37-41
Annex 9 - Template for projected asset plan	42-43



Section 1: Preliminary Provisions

Section 1: Preliminary Provisions

1.1 Introduction

Based on the economic policy for civil aviation approved by the Authority's Board of Directors Resolution No. (37/588) dated 02/21/1445 AH, which is based on four main principles:

- 1- Competition and the open market.
- 2- Transparency and responsibility in business dealings.
- 3- Financial sustainability.
- 4- Optimal use of resources

and with reference to the economic regulations for airports approved by the same decision referred to above, which included in Article Two the classification of airports as designated and non-designated airports, and in Chapter Two thereof, the airport operator's obligation to determine charges for airport services in accordance with the mechanism stipulated in this regulation. Accordingly, the General Authority of Civil Aviation issued this guideline to clarify the mechanism for determining charges for aeronautical and non-aeronautical services at the Kingdom's airports before its approval and entry into force

1.2 Scope of Application

1. These guidelines applies to all airports in the Kingdom according to the following classification;
 - a. Designated
 - b. Non-designated
2. These guidelines apply to all airport service charges that are regulated in the economic regulations for airports as follows
 - core non-aeronautical services;
 - a. property leasing fees for first line service providers;
 - b. airport facility usage fees:
 - i. shared space for check-in counters;
 - ii. specialized airport facility access fees;
 - c. airport technology and baggage processing fees:
 - i. baggage management and handling system fees;
 - ii. common user terminal equipment and/or airport system usage fees;
 - d. airport services and utility fees:
 - i. essential utility charges (electricity, water, internet, air conditioning);
 - ii. airside driver license fees;
 - iii. staff identity cards and vehicle apron passes;
 - e. access related charges:
 - i. staff car parking charges;
 - ii. public transport access fees;
 - iii. taxi service access;

- aeronautical services subject to regulations shall cover:
 - a. building and passenger facility charges;
 - b. aircraft landing and/or take-off charges;
 - c. aircraft parking charges;
 - d. passenger and aircraft security charges;
 - e. special security arrangement charges;
 - f. passenger boarding bridge charges;
 - g. airside bus transport charges;
 - h. aircraft energy supply charges, inc. fuel, ground power unit (GPU), and pre-conditioned air (PCA);
 - i. access charges to facilities for aircraft based at the airport.
- 3. The Authority may decide to add to or remove from the defined service categories defined in Paragraph 2 above
- 4. This guide does not apply to charges for services that are not classified within the scope of the services mentioned in paragraph (b) above. The airport operator can determine charges for other services in a way that achieves air traffic objectives and does not hinder the airport's operational operations.



1.3 Terms & Definitions

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

Terms		Definitions
1	'Kingdom'	means the Kingdom of Saudi Arabia.
2	'Authority'	means the General Authority of Civil Aviation.
3	'Regulations'	means the Airports Economic Regulations
4	'Guidelines'	means the Guideline to the mechanism for determining charges for airport services
5	'Airport'	'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'	'Committee' means a committee of representatives of air carriers or organizations representing air carriers which utilize airport facilities.
7	'Air Carrier'	means an entity offering or operating airlines for passenger, mail and/or cargo carriage.
8	'Air Service' or 'Commercial Air Service'	refers to an air transport flight or series of flights performed by civil aircraft for remuneration. Services may be either scheduled or charter.
9	'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.
10	'Airport Cluster'	shall mean two or more airports grouped together and serving the same city or conurbation.
11	'Airport User'	means any air carrier that operates at, utilizes the facilities of, or engages in activities in connection with the airport.

1.3 Terms & Definitions

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

Terms		Definitions
12	'Designated Airports'	means such airports designated by the Authority based on relevant factors such as passenger volume, freight volume, location and to be regulated in line with the provisions specified in the Regulations.
13	'Non-Designated Airport'	means those airports as nominated by the Authority to be regulated in line with the provisions specified in the Regulations.
14	'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 these Regulations; b) where only a single Airport Operator is set up for several airports or airport clusters, each of those airports or airport clusters shall be considered separately for the purposes of these Regulations.
15	'Passenger'	means any person who is on a flight with the consent of the air carrier or the aircraft operator, excluding on-duty members of both the flight crew and the cabin crew.

1.3 Terms & Definitions

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

Terms		Definitions
16	'Charges'	means such charges levied or collected by the Airport Operator, as approved by the Authority, in return for the provision of services.
17	'Reasonable Return'	'Return' means the level of return on investment that investors would seek for enterprises of similar risk. The reasonable rate of return on investment for a service shall be in commensurate with the weighted average cost of capital for investments associated with the provision of that service. The return may take into account a rate of return sufficient to secure efficient financing for the purposes of investing in new, expanded or enhanced infrastructure
18	'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.
19	'Aeronautical Service'	means any service provided for navigation, surveillance, and supportive communication thereto for air traffic management; for the landing, housing, or parking of an aircraft or any other ground facility offered in connection with aircraft operations at an airport; or ground safety services at an airport; or ground handling services relating to aircraft, passengers, and cargo at an airport; for the cargo facility at an airport and or supplying fuel to the aircraft at an airport

1.3 Terms & Definitions

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

Terms		Definitions
20	'Non-Aeronautical Services'	means any services given by an airport in consideration for the various commercial arrangements it makes in relation to the granting of concessions, the rental or leasing of premises and land, and "free-zone" operations, even though such arrangements may in fact apply to activities that may themselves be considered to be of an aeronautical character (for example, concessions granted to oil companies to supply aviation fuel and lubricants and the rental of terminal building space or premises to aircraft operators).
21	'Property Leasing'	Leasing' refers to the practice of leasing various airport-related properties and facilities, such as land, terminals, hangars, office spaces, and cargo facilities, to first line service providers such as airlines, businesses, and service providers, ground handling agents, fuel service providers, catering services, and air traffic control.
22	'First Line Services Providers / Tier 1 Services Providers'	Providers' means primary service providers that directly interact with passengers or aircraft, including ground handling agents, fuel service providers, catering services, and air traffic control.
23	'Airport Facility'	means any facility used, available for use, or designed for use to aid in the safe taking off and landing of aircraft at an airport, for the safety, storage, and maintenance of aircraft, for the comfort and accommodation of the users of air transportation of persons or property, or for the safe and efficient operation and maintenance of an airport. It refers to the areas in the airport utilized by airlines such as shared space for check-in counters and specialized airport facility access services.

1.3 Terms & Definitions

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

Terms		Definitions
24	'Shared Space for Check-in Counters'	Counters' refers to a collaborative or jointly utilized area within an airport terminal where multiple airlines or airline alliances operate their respective check-in counters. The shared space concept allows for more flexible and efficient use of terminal space, optimizing resources and enhancing operational flexibility involving the implementation of common-use check-in systems and technologies that enable airlines to access and utilize check-in counters interchangeably, depending on operational requirements and scheduling.
25	'Specialized Airport Facility'	means facilities designed to cater to particular requirements, such as cargo terminals, maintenance hangars, or VIP lounges. It also includes the technical infrastructure, facilities, and interfaces that systematically contribute to the seamless functionality of airport operations.
26	'Airport Technology'	refers to the various systems and equipment used in the management and operation of airports, including air traffic control systems, baggage handling systems, security systems and passenger information systems.
27	'Baggage Processing'	definition of Baggage processing consists of definition of baggage management and handling system and common user terminal equipment defined in the regulations.

1.3 Terms & Definitions

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

Terms		Definitions
28	'Baggage Management and Handling System'	means the system installed, operated, and managed for the conveyance of Checked-in Baggage for departing, arrival and transfer processes at the airports and includes the equipment thereof. Baggage handling is the process of transporting passenger luggage from a check-in counter at a departure airport, onto a plane cargo hold and then to a collection point at an arrival airport. The system which are specifically for baggage handling when it is separated from the passengers.
29	'Common User Terminal Equipment'	or CUTE allows airlines, airports, and ground handling agents to support the optimization of passenger processes using shared technologies such as self-service kiosk, Passenger Processing Systems, Common Use Web Services (CUWS) for Baggage and Passenger Conformance Services. A Common Use Self Service (CUSS) kiosk is a shared kiosk offering airport check-in to passengers without the need for ground staff and can be used by several participating airlines. Common Use Passenger Processing Systems describes the range of services, specifications, and standards enacted to enable multiple airlines, service providers to share physical check-in or gate podium positions. Common Use Web Services (CUWS) for Baggage and Passenger Conformance Services deliver basic functionalities in delivering basic functionalities in Passenger Identification Management, Airside Security Access, and Boarding.

1.3 Terms & Definitions

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

Terms		Definitions
30	'Airport System'	means all airport, heliport and aviation facilities, or any interest therein, now or from time to time hereafter owned, operated or controlled in whole or in part by the city, together with all properties, facilities and services thereof, and all additions, extensions, replacements and improvements thereto, and all services provided or to be provided by the city in connection therewith, but expressly excluding special facilities.
31	'Airport Services and Utility'	refers to essential utilities (electricity, water, internet, air conditioning), airside driver licensing, staff identity cards and vehicle apron passes that are provided to airlines, as well as for cargo.
32	'Essential Utility (Electricity, Water, Internet, Air Conditioning)'	encompasses energy supply, water management, HVAC systems, fire safety, communication networks, security measures, transportation infrastructure, waste management, facility maintenance, emergency services, accessibility provisions, and passenger amenities to ensure efficient operations and a comfortable experience for passengers and staff.
33	'Airside'	airside area means the movement area of the Airport, access to which is controlled including, without limitation, the runways, service roadways, taxiways, aprons, hard stand locations and parking stands used by aircraft, service vehicles and service personnel at the airport.
34	'Staff Identity Cards'	Cards' a permit system consists of cards or other documentation issued to individual persons employed on airports or who otherwise have need for authorized access to the airport, airside, or security restricted area. Its purpose is to identify the individual and facilitate access.

1.3 Terms & Definitions

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

Terms		Definitions
35	'Vehicle Apron Passes'	means permit for any vehicle and / or mobile equipment operating airside including to airport authority, emergency response, security, and police vehicles, as well as other vehicles required for airport operations in a restricted area.
36	'Access Related Charges'	means fees or charges levied for accessing or using airport facilities, services, or infrastructure such as staff car parking, public transport access and taxi service access. It is paid by the airport users such as airlines, passengers, and cargo operators to the airport operators.
37	'Staff Car Parking'	means designated parking areas or facilities specifically allocated for the vehicles of airport employees, including airline staff, ground handling personnel, maintenance crews, administrative staff, and other authorized personnel working within the airport premises.
38	'Public Transport Access'	means the availability and connectivity of public transportation services that provide passengers and other airport users such as airlines & cargo operators with convenient and efficient access to airports. This encompasses various modes of transportation modes, such as buses, trains, trams, shuttles, and other transportation options that connect airports to surrounding areas, regional transport networks, and intermodal transportation hubs.

1.3 Terms & Definitions

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

Terms		Definitions
39	'Taxi Service Access'	means the provision and availability of taxi services for passengers, crew members, and other airport users to facilitate transportation between airports, nearby cities, and various destinations. Taxi service access encompasses the coordination, management, and regulation of taxi operations at airports, including designated taxi stands, pickup and drop-off points, and licensing requirements for taxi operators. This access ensures that passengers and other airport users have convenient and reliable options for ground transportation, complementing other modes of transport such as public transit, car rentals, and private vehicles. Effective taxi service access is essential for enhancing connectivity, supporting airport operations, and providing seamless travel experiences for passengers.
40	'Building and Passenger Facility'	means a terminal facility where passengers board and disembark from the aircraft, check-in and collect baggage.
41	'Aircraft Landing'	means the phase of flight from the point of transition from nose-low to nose-up attitude, immediately before landing (flare), through touchdown and until aircraft exits landing runway, comes to a stop or when power is applied for takeoff in the case of a touch and-go landing, whichever occurs first.
42	'Aircraft Take-off'	means the phase of flight, after reaching the movement area, when the aircraft progresses under its own power to lift off from the defined runway.
43	'Aircraft Parking'	means a designated area of the airport to be used for aircraft parking and storage space for the parking and storing of aircraft, or for the servicing of aircraft with fuel, lubricants, and other supplies, or for making emergency repairs to aircraft, or for any or all such purposes.

1.3 Terms & Definitions

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

Terms		Definitions
44	'Passenger and Aircraft Security'	means safeguarding passengers and aircraft against acts of unlawful interference by combination of measures, human and material resources.
45	'Special Security Arrangement'	means enhanced or specific security measures and protocols implemented at airports, onboard aircraft in response to heightened security concerns, emerging threats, or unique operational requirements. These arrangements may include additional screening procedures, enhanced surveillance, increased security personnel, specialized equipment, or specific operational protocols tailored to address identified risks or vulnerabilities.
46	'Passenger Boarding Bridge'	means a mechanically operated, adjustable ramp to provide direct access between aircraft and airport buildings.
47	'Airside Bus Transport'	means bus services operating within the airside area to transport passengers between the terminals and aircraft parked remotely on the apron.
48	'Aircraft Energy Supply'	means systems and equipment providing power and energy to aircraft for onboard operations, including ground power units (GPUs) and pre-conditioned air (PCA) units along with fueling systems powered by SAF or conventional aviation.
49	'Fuel Handling'	refers to procedures and facilities for the storage, transport, and dispensing of aviation fuel to aircraft including the Aviation Fuel Quality tests, hazard mitigation and explosion prevention. A procedure that defines the consecutive steps for fueling an aircraft and the quantities to distribute to each of the corresponding tanks at each step-in case a fuel split calculation is required to be performed by the departure control system.

1.3 Terms & Definitions

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

Terms		Definitions
50	‘Ground Power Unit’	or GPU refers to a service component used to supply electrical power and compressed air to an aircraft when it is operating on the ground.
51	‘Pre-Conditioned Air’	or PCA is filtered and treated for temperature and humidity before it enters the aircraft. In addition to maintaining comfort for passengers as well as the flight and service crews, preconditioned air helps preserve perishables in the aircraft galley and maintain aircraft electrical equipment.
52	‘Access to Facilities for Aircraft Based at the Airport’	includes the facilities for aircraft based at the airport such as passenger boarding bridge, fueling, maintenance and parking.



A close-up photograph of a person's hand holding a silver and black pen, poised to write on a document. The background is blurred, showing a desk with a blue pen and other papers. A semi-transparent blue box is overlaid on the bottom right of the image, containing white text.

Section 2: Mechanism for determining charges for airport services

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2.1 Main principles in determining charges

First: When setting airport charges, the airport operator shall consider the following factors:

- a. charges should align with international best practices and standards, and be competitive with global pricing
- b. charges should incentivize air carriers to operate at the kingdom's airports and utilize its facilities and services
- c. where appropriate, charges should consider the availability of airport resources during peak and non-peak periods, with differentiation being mad

Second: When determining the rental value for renting space for air cargo handling facilities, the airport operator must commit to calculating this value based on the percentage share of the total annual revenues or a fixed lump sum for rent annually, whichever is higher, taking into account the following:

1. is calculated based on similar prices circulating in the market .
2. The rental value or percentage share of the annual revenues should be an incentive to attract air cargo traffic to airports.
3. The requirement to pay the minimum annual guarantee should not be added to the contracts

2.2 Procedures for submitting and reviewing charges proposals

First: Procedure for submission of charges proposal for non-aeronautical services by the Airport Operator (all airports) and review by the Authority

1. The airport operator shall submit for approval, an application comprising of the proposed charges and other documents/information provided under section 2.3 of the Guideline,
2. Upon due consideration of the application, the Authority may decide to:
 - a. approve the proposed charges; or
 - b. reject the proposed charges; or
 - c. 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.

Second: Procedure for submission of charges proposal for aeronautical services by the Airport Operator of non-designated airports and review by the Authority

1. The airport operator shall submit the charges proposal and the necessary information provided under section 2.3 to the Authority
2. The airport operator must consult the Airport Users Committee when setting , updating or amending charges for aeronautical services for the first time , and provide the authority with the outputs of this consultation within a period of no less than (30) days from the time it is conducted
3. Upon due consideration, the Authority may decide to:
 - a. approve the proposed aeronautical charges; or
 - b. reject the proposed aeronautical charges; or
 - c. request remedial actions with respect to the proposed aeronautical charges
4. 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.

2.3 Requirements and information required to be provided in the charges proposal

First: Requirements for submission of non-aeronautical charges proposal subject to the regulations

1. When preparing a charges proposal, the airport operator shall follow the cost relatedness requirement, covering the operating costs, maintenance, an 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.
2. The airport operator shall submit for approval, an application to the Authority demonstrating that it complies with the cost relatedness requirement by providing the following evidence
 - a. pricing methodology documentation: documentation outlining the pricing methodology used to determine charges, detailing how costs are factored into the final charges;
 - b. detailed cost breakdown: comprehensive breakdown of costs associated with each service, including operating costs, maintenance, investments, depreciation, and other relevant expenses.
 - c. financial returns: documentation outlining the financial returns factored into the pricing methodology.

- d. 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;
 - e. 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;
 - f. 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;
 - g. justification for cost allocation: justification for any unique cost allocations or exceptional circumstances that may affect the cost relatedness approach.
 - h. Any other document that the Authority may deem necessary to be reviewed. This may include, but is not limited to audited financial statements or any other documents
3. The Airport Operator must submit as part of its proposal, its business plan and a detailed benchmark analysis as specified in section 2.4 and 2.5 below for review by the Authority. The Authority, in addition to reviewing the benchmark analysis submitted by the Airport Operator, may conduct an independent review to ascertain the efficiency of costs, revenues and other parameters.

Second: Requirements for submission of aeronautical charges proposal by non-designated airports

1. When setting for the first time or updating aeronautical charges, the airport operator of the non-designated airports shall submit such documents that demonstrate compliance with the set requirement by providing to the Authority:
 - a. pricing methodology documentation: documentation outlining the pricing methodology used to determine charges, detailing how costs are factored into the final charges;
 - b. detailed cost breakdown: comprehensive breakdown of costs associated with each service, including operating costs, maintenance, investments, depreciation, and other relevant expenses.

- c. 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;
 - d. analysis of the airport's current and projected capacity utilization, including passenger and aircraft movements, and measures taken to optimize capacity;
 - e. evidence of investments made or planned in improving infrastructure, services, and technology to provide a better experience for passenger and airlines;
 - f. 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.
 - g. Any other document that the Authority may deem necessary to be reviewed. This may include, but is not limited to audited financial statements or any other documents
2. The airport operator shall undertake user consultations with the airport user committee when setting for first time or updating existing aeronautical charges. 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;
 - 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:
 - i. list of the various services and infrastructure provided in return for the aeronautical charges levied;
 - ii. the methodology used for setting aeronautical charges;
 - iii. the overall cost structure of the airport with regard to the facilities and services to which aeronautical charges relate;
 - iv. details of the revenue from the different components of aeronautical charges and the total costs of the associated services or facilities;
 - v. any financing provided by a public authority in connection with the facilities and services to which aeronautical charges relate;
 - vi. forecasts for the charges, traffic growth and proposed investments at the airport;
 - vii. the details of the actual use of the airport infrastructure and equipment over at least the previous 12 months; and
 - viii. the predicted outcome of any major proposed investments in terms of their effect on airport capacity.

3. 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 tariff setting requirement for aeronautical services following the specifications in in Appendix No. (1) of the regulations
 - b. areas of concern and remedial actions (where available);
 - c. main reasons for the final proposal and the expected impact ;
 - d. justification for the recommendation and the steps for the implementation of the new charges.
4. The Airport Operator must submit as part of its proposal, its business plan and a detailed benchmark analysis as specified in section 2.4 and 2.5 below for review by the Authority. The Authority, in addition to reviewing the benchmark analysis submitted by the Airport Operator, may conduct an independent review to ascertain the efficiency of costs, revenues and other parameters.

Third: Requirements for submitting a charges proposal for aeronautical services at designated airports

1. The Authority determines the appropriate mechanism and methodology that the airport operator must adhere to when determining the charges for aeronautical services for each of the designated airports.
2. A detailed explanation of the methodology will be attached after the classification of designated airports.

2.4 Preparing the business plan

1. The Airport Operator is responsible for preparing and submitting a comprehensive business plan to the Authority. This plan should be submitted well in advance to allow for thorough review and consultation.
2. The Airport Operator must include an Air Service Development Plan in the business plan. This plan should outline the targeted airlines and routes, including any agreements or negotiations with airlines. The plan should adhere to legal standards regarding fair competition and equal treatment of airlines.
3. The Airport Operator should provide detailed passenger and aircraft movement forecasts. These forecasts should be based on credible methodologies and data sources, with assumptions clearly stated.
4. The Airport Operator should conduct a catchment area analysis, identifying the geographic area from which the airport draws passengers.
5. The Airport Operator should engage in consultation with Airport User Committee to gather their input and address concerns related to the proposed airport changes. Legal obligations regarding fair competition, transparency, and nondiscrimination must be maintained during these consultations.
6. The Authority shall review the submitted business plan on a timely manner
7. The Authority shall maintain transparency throughout the review process. It should communicate its assessment criteria, timelines, and any additional data or information required from the Airport Operator.

2.5 Benchmarking

1. The airport operator must prepare and submit a benchmark for the purpose of reviewing any charges proposal submitted,
2. The Airport Operator should collect relevant data on comparable airports that are used for benchmarking purposes. This data may include information on airport charges, passenger numbers, airport facilities, and financial performance.
3. The Airport Operator should carefully select benchmark airports that are truly comparable in terms of size, traffic volume, geographic location, and strategic objectives. The selection process should be transparent and based on clear criteria.
4. The Authority shall review the benchmark data provided by the Airport Operator. Ensure that the selected benchmark airports are indeed comparable, and that the data is accurate and up to date and whether the benchmarking process promotes fair competition and does not disadvantage any service provider.

2.6 Mechanism for setting differentiated wages for services and incentives program

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. Airport Operators may establish differentiated airport charges among users while maintaining non-discrimination, as long as the differentiation criteria are:
 - a. relevant;
 - b. objective; and
 - c. transparent.
3. The Airport Operator should design an incentive scheme that aligns with ICAO principles and legal requirements. The incentive scheme should be non-discriminatory and aimed at encouraging airlines to increase traffic or offer new air services.
4. The Airport Operator may 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 the costs associated with these incentives are not allocated to users who do not benefit from them, and that the criteria for awarding them are relevant, objective, transparent and non-discriminatory.



Section 3: General Provisions

Section 3: General Provisions

1. This guide is considered a supplement and an explanation of the provisions of the regulation.
2. This guide is subject to updating or addition if necessary, and all amendments or additions become an integral part of it and have the same force and effect as this guide after its adoption.
3. The Authority is responsible for interpreting the meaning of any term, phrase or provision in this guide.
4. It is prohibited to cut part of this guide and use it alone or use its contents in other versions without written permission from the Authority.





Annexes

Annexes

The following appendices are indicative, and the airport operator can replace them with other forms that achieve the required purpose by proving its compliance with the charges setting mechanism

Annex 1 - Template for current and proposed charges for aeronautical services

Particulars	Unit	Forecast period						
		Current Year	Year 1	Year 2	Year 3	Year 4	Year 5	
Building And Passenger Facility Charges	A							
Aircraft Landing And/or Take-Off Charges	B							
Aircraft Parking Charges	C							
Passenger And Aircraft Security Charges	D							
Special Security Arrangement Charges	E							
Passenger Boarding Bridge Charges	F							
Airside Bus Transport Charges	G							
Aircraft Energy Supply Charges, Inc. Fuel, Ground Power Unit (GPU), And Pre-Conditioned Air (PCA);	H							
Access Charges to Facilities For Aircraft Based At The Airport	I							

Note: Units for each of the category of charges to be provided. For Example, per pax, per MTOW etc.. The charges shall be provided as SAR/unit.

Annex 2 - Template for current and proposed charges for non-aeronautical Services

Particulars	Unit	Forecast period					
		Current Year	Year 1	Year 2	Year 3	Year 4	Year 5
Property Leasing Fees for First Line Service Providers	A						
Airport Facility Usage Fees	B = B1 + B2						
Shared Space for Check-In Counters	B1						
Specialized Airport Facility Access Fees	B2						
Airport Technology and Baggage Processing Fees	C						
Airport Services and Utility Fees	D = D1 + D2 + D3 + D4						
Essential Utility Charges - Electricity	D1						
Essential Utility Charges, - Water	D2						
Essential Utility Charges - Internet	D3						
Essential Utility Charges - Air Conditioning	D4						
Access Related Charges	E = E1 + E2 + E3						
Staff Car Parking Charges	E1						
Public Transport Access Fees	E2						
Taxi Service Access	E3						

Note

- ×Units for each of the category of charges to be provided.
- ×The charges shall be provided as SAR/unit.

Annex 3 – Template for Profit and Loss Statement

Particulars	Unit	Forecast period					
		Current Year	Year 1	Year 2	Year 3	Year 4	Year 5
Revenues	TR = NAR + AR						
Aeronautical Revenues	AR=A+B+C+D+E+F+G+H+I						
Building And Passenger Facility Charges	A						
Aircraft Landing And/Or Take-Off Charges	B						
Aircraft Parking Charges	C						
Passenger And Aircraft Security Charges	D						
Special Security Arrangement Charges	E						
Passenger Boarding Bridge Charges	F						
Airside Bus Transport Charges	G						
Aircraft Energy Supply Charges, Inc. Fuel, Ground Power Unit (Gpu), And Pre-Conditioned Air (Pca);	H						
Access Charges To Facilities For Aircraft Based At The Airport	I						
Non-Aeronautical Revenues	NAR = A + B + C + D + E						
Property Leasing Fees For First Line Service Providers	A						

Airport Facility Usage Fees	$B = B1 + B2$							
Shared Space For Check-In Counters	B1							
Specialized Airport Facility Access Fees	B2							
Airport Technology And Baggage Processing Fees	$C = C1 + C2$							
Baggage Management And Handling System Fees	C1							
Common User Terminal Equipment And/Or Airport System Usage Fees	C2							
Airport Services And Utility Fees	$D = D1 + D2 + D3 + D4$							
Essential Utility Charges - Electricity	D1							
Essential Utility Charges, - Water	D2							
Essential Utility Charges - Internet	D3							
Essential Utility Charges - Air Conditioning	D4							
Access Related Charges	$E = E1 + E2 + E31$							
Staff Car Parking Charges	E1							
Public Transport Access Fees	E2							
Taxi Service Access	E3							

Operation and maintenance expenditures	$OC = F + G + H + I$							
Payroll Costs	F							
Administrative And General Expenses	G							
Utilities And Outsourcing Costs	H							
Repair And Maintenance Costs	I							
Earnings before depreciation, interest, and taxation	$EBITDA = TR - OC$							
Depreciation And Amortization	D&A							
Earnings before interest, and taxation	$EBIT = EBITDA - D\&A$							
Interest and finance charges	I&F							
Profit or loss before tax	$PBT = EBIT - I\&F$							
Tax	Tax							
Profit after tax	$PAT = PBT - Tax$							

Note

- Values in SAR. If the values are represented in '000 SAR, million, SAR etc. this must be explicitly mentioned.
- The opex categories (in the table) are indicative only. The airport operator may provide additional categories if required.
- The costs above shall be with regard to the facilities and services to which the regulated charges relate.

Annex 4 – Template for submitting balance sheet for airport operators

Particulars	Unit	Forecast period						
		Current Year	Year 1	Year 2	Year 3	Year 4	Year 5	
Shareholder's equity and liabilities	$E&L=A+B+C+D$							
Shareholder's Funds	A							
Long-Term Loan	B							
Other Non-Current Liabilities	C							
Current Liabilities	D							
Assets	$Assets = NC + CA$							
Non-Current Assets	$NC = E + F$							
Tangible Non-Current Assets (E.G. Property, Plant And Equipment)	E							
Intangible Non-Current Assets (E.G. Goodwill)	F							
Current Assets	CA							

Note

×Values in SAR. If the values are represented in '000 SAR, million SAR etc. this must be explicitly mentioned.

Annex 5 – Template for submitting Weighted Average Cost of Capital

Particulars	Unit	Forecast period						
		Current Year	Year 1	Year 2	Year 3	Year 4	Year 5	
Total-capital	$C = A + B$							
Shareholder's equity	A							
Long-term debt	B							
Debt to total capital (%)	$D = B / C$							
Equity to total capital (%)	$E = A / C$							
Cost of Equity (%)	K_e							
Cost of Debt (%)	K_d							
WACC (%)	$WACC = K_e * E + K_d * D$							

Note

·Values for equity, debt etc.in SAR. If the values are represented in '000 SAR, million SAR etc. this must be explicitly mentioned.

Annex 6 – Template for submitting profitability analysis for airport operators

Particulars	Unit	Forecast period						
		Current Year	Year 1	Year 2	Year 3	Year 4	Year 5	
Average non-current assets	$C = A + B$							
Non-current assets (excluding intangibles) opening	A							
Non-current (excluding intangibles) closing	B							
Revenues from Regulated Services	$F = D + E$							
Aeronautical Revenues	D							
Non-Aeronautical Revenues	E							
EBIT	EBIT							
Return on Assets (%)	$RoA = EBIT / C$							
Operating Profit Margin (%)	$OPM = EBIT / F$							

Note

·Values in SAR. If the values are represented in '000 SAR, million SAR etc. this must be explicitly mentioned.

Annex 7 - Template for submitting passengers and ATM forecast

Particulars	Unit	Forecast period						
		Current Year	Year 1	Year 2	Year 3	Year 4	Year 5	
Passenger								
International	$INT = C + F$							
International Scheduled	$C = A + B$							
Embarking	A							
Disembarking	B							
International Non-Scheduled	$F = D + E$							
Embarking	D							
Disembarking	E							
Domestic	$DOM = I + L$							
Domestic Scheduled	$I = G + H$							
Embarking	G							
Disembarking	H							

Domestic Non-Scheduled	$L = J + K$							
Embarking	J							
Disembarking	K							
Total Passengers	INT + DOM							
ATM								
International	INT ATM = L + MM							
Scheduled	L							
Non-Scheduled	M							
Domestic	DOM ATM = N + O							
Scheduled	N							
Non-Scheduled	O							
Total ATM	DOM ATM + INT ATM							

Note

The number of passengers, ATMs if represented in '000 pax, ATMs, million pax, ATMs etc. this must be explicitly mentioned

Annex 8 - Template for current and projected capacity at the airport

Annex 8.1 - Template for passenger Terminal Capacity

Data to be provided for all terminals.	Forecast period					
Particulars	Current Year	Year 1	Year 2	Year 3	Year 4	Year 5
Passenger Terminal Capacity						
[TERMINAL BUILDING 1]						
International departure						
Declared peak hour capacity						
Declared annual capacity						
International arrival						
Declared peak hour capacity						
Declared annual capacity						
Domestic arrival						
Declared peak hour capacity						
Declared annual capacity						
[TERMINAL BUILDING 2]						

International departure						
Declared peak hour capacity						
Declared annual capacity						
International arrival						
Declared peak hour capacity						
Declared annual capacity						
Domestic departure						
Declared peak hour capacity						
Declared annual capacity						
Domestic arrival						
Declared peak hour capacity						
Declared annual capacity						

Annex 8.2 – Template for runway capacity

Data to be provided for all Runways.	Forecast period					
Particulars	Current Year	Year 1	Year 2	Year 3	Year 4	Year 5
[RUNWAY 1]						
[International departure						
Declared peak hour capacity						
Declared annual capacity						
International arrival						
Declared peak hour capacity						
Declared annual capacity						
Domestic departure						
Declared peak hour capacity						
Declared annual capacity						
Domestic arrival						
Declared peak hour capacity						

Declared annual capacity						
[RUNWAYS 2]						
International departure						
Declared peak hour capacity						
Declared annual capacity						
International arrival						
Declared peak hour capacity						
Declared annual capacity						
Domestic departure						
Declared peak hour capacity						
Declared annual capacity						
Domestic arrival						
Declared peak hour capacity						
Declared annual capacity						

Annex 8.3 – Template for other facilities

Data to be provided for all facilities (some of them are illustrated below)	Forecast period					
Particulars	Current Year	Year 1	Year 2	Year 3	Year 4	Year 5
Airside Facilities						
Parking bays						
Declared peak hour capacity						
Declared annual capacity						
Hangars						
Declared peak hour capacity						
Declared annual capacity						
Terminal Facilities						
Baggage systems						
Declared peak hour capacity						
Declared annual capacity						
Landside Facilities						
Car Parking						
Declared peak hour capacity						
Declared annual capacity						

Annex 9 - Template for projected asset plan

Sn. No	Project Name	Project Type	Comm Date	Year 1				Year 2				
				Capex	Comm	C.Date	WIP	Capex	Comm	C.Date	WIP	
1	Project 1											
2	Project 2											
3	Project 3											

Sn. No	Project Name	Project Type	Comm Date	Year 3				Year 4				Year 5			
				Capex	Comm	C.Date	WIP	Capex	Comm	C.Date	WIP	Capex	Comm	C.Date	WIP
1	Project 1														
2	Project 2														
3	Project 3														

Legend

Project Name	Project name should be a unique name, or a primary key assigned to a project
Project Type	Type of the project and the asset class to which the Asset of the project belongs to
Comm.Date	Date on which the capital project will be commenced
Capex	Year-wise capex projected to be incurred on the project
WIP	Work-in-progress at the end of every year
Comm	Projected Commissioning in a particular year
C.Date	Date of Commissioning in a particular year

Note:

Projects in the table are for illustrative purposes only. The airport operator must provide details of all forecasted projects.



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