

## Swedavia – Passenger Increase Bonus<sup>1</sup>

All airlines operating scheduled traffic at the Swedavia airports qualify for the Passenger Increase Bonus (PIB) if the number of departing passengers the current year exceeds the number of departing passengers the previous year.

The PIB for Intercontinental destinations are calculated per airport, while European destinations are calculated across the Swedavia airport network.

For European destinations a large and sustained growth is rewarded with additional PIB in order to encourage long term commitments. If the number of departing passengers increase with more than 50 000 passengers, the airline is qualified for two more years of discounts.

### PIB – Intercontinental destinations

Departing Airport	Charge	Interval dep. passengers	Year 1
ARN & GOT	Passenger	501 -	90%

### PIB – European destinations

Departing Airport	Charge	Interval dep. passengers	Year 1	Year 2	Year 3
Swedavia	Passenger	501 - 50 000	60%		
		50 001 -	60%	40%	20%

Examples are given in appendix.

### Application procedure

Airlines currently operating at any Swedavia airport need to register in writing before January 31 2020 for the PIB scheme 2020. Airlines not currently operating at any Swedavia airport need to apply in writing before they start operating to qualify for PIB.

For further information about the application procedure please contact your contact person or send an e-mail to [aviationbusiness@swedavia.se](mailto:aviationbusiness@swedavia.se)

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<sup>1</sup> Valid from January 15<sup>th</sup>, 2020

## **Rules and regulations**

The bonus for the increase will be credited in Q1 the following year, i.e. in Q1 2021 for the PIB scheme 2020.

PIB is calculated on airline group level. An ownership threshold of 51 per cent is applied to determine whether a particular airline belongs to a group or not.

The bonus is by default credited to the operating airline. However, if a virtual airline, operating scheduled traffic, has purchased at least 70 per cent of the available seat capacity, PIB is credited to this party.

A shift in passengers from one airline to another within an airline group will not qualify for PIB. Passenger increase due to mergers, acquisitions and similar transactions, do not qualify for PIB.

The calculation of PIB will be based on passenger numbers provided by Swedavia.

If an airline is qualified for the multiyear discount, the airline gets 40 respectively 20 per cent discounts in year 2 and 3 for the passenger count above 50 000 and below the increase in year 1 compared to year 0.

Traffic to destinations running on New Destination Discount (NDD) will be excluded in the calculation of PIB, i.e. it is not possible to receive both PIB and NDD. Due to administrative reasons, PIB is only granted for a net increase above 500 departing passengers.

A route operated under public service obligations will not qualify for PIB.

An intercontinental destination is a destination outside Europe with a minimum non-stop flight time of five (5) hours from the Swedavia airport. Swedavia uses standard geographic definitions for the borders of Europe with the addition that Turkey, Cyprus and islands that belong to countries in Europe (i.e. the Canaries and Madeira) will be considered as being part of Europe.

In cases where Swedavia suspects that an airline is manipulating its flight programme either independently or together with another airline in order to qualify for PIB, the airline/-s will be disqualified from receiving any incentive or bonus from Swedavia. Nor will any incentives or bonus be paid if the airline has not fulfilled its obligations to Swedavia.

If an airline increases its passenger numbers on one or more routes as a result of bankruptcy of another airline, such passenger increases are excluded from the calculation of passenger growth described above, unless Swedavia considers that inclusion of such passenger growth in the calculation is necessary in order to maintain capacity on one or more affected routes.

Swedavia reserves the right to develop additional regulations to ensure that the overall purpose of the Swedavia Incentive Programme is achieved. Swedavia reserves the right to change the PIB system in case of a decision or resolution of any Swedish, or international, Authority or Tribunal changing the conditions and/or

possibilities for Swedavia to pay the above described PIB. Any dispute arising in connection with the Swedavia Incentive Programme shall be settled in a Swedish court under Swedish law

For more information about the Swedavia Incentive Programme, please contact your contact person or send an e-mail to [aviationbusiness@swedavia.se](mailto:aviationbusiness@swedavia.se)

## Appendix – Calculation examples

If an airline or airline group increase its passenger count to non-NDD destinations within Europe with more than 50 000 passengers during a calendar year it is qualified for passenger increase bonus for year 2 and 3.

### Example A

If airline X has 200 000 departing passengers and increase with 100 000 departing passengers year 1 and then are at stable levels year 2 and 3.

	Year 0	Year 1	Year 2	Year 3
Departing passengers (non-NDD)	200 000	300 000	300 000	300 000
Net increase		100 000		
Passengers available for PIB year 1		100 000		
Passengers available for PIB year 2			50 000	
Passengers available for PIB year 3				50 000
Total number of passengers available for PIB (various rates)		100 000	50 000	50 000

### Example B

If airline X has 200 000 departing passengers and increase with 100 000 departing passengers for each year

	Year 0	Year 1	Year 2	Year 3
Departing passengers (non-NDD)	200 000	300 000	400 000	500 000
Net increase		100 000	100 000	100 000
Passengers available for PIB year 1		100 000	100 000	100 000
Passengers available for PIB year 2			50 000	50 000
Passengers available for PIB year 3				50 000
Total number of passengers available for PIB (various rates)		100 000	150 000	200 000

### Example C

If airline X has 200 000 departing passengers and increase with 40 000 departing passengers year 1.

	Year 0	Year 1	Year 2	Year 3
Departing passengers (non-NDD)	200 000	240 000	240 000	240 000
Net increase		40 000		
Passengers available for PIB year 1		40 000		
Passengers available for PIB year 2				
Passengers available for PIB year 3				
Total number of passengers available for PIB (various rates)		40 000	0	0