

2021-01-01

Swedavia – Passenger Increase Bonus¹

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 31st 2021 for the PIB scheme 2021. 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 reach out to your contact person or send an e-mail to aviationbusiness@swedavia.se

¹ Valid from January 1st, 2021

Rules and regulations

The bonus for the increase will be credited in Q1 the following year, i.e. in Q1 2022 for the PIB scheme 2021.

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. Passenger volumes of an airline which has undergone reconstruction will be compared to that airlines' passenger volumes prior to the reconstruction for the applicable period.

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 increase above 50 000 maintained from year 1 compared to year 0.

For European destinations, due to Covid-19 and Swedavia Welcome Back Incentive, the Passenger Increase Bonus is paused during the first quarter 2021. The volume of departing passengers for April 1st 2021 and December 31st 2021 will be compared to 80 per cent of the volume between April 1st 2019 and December 31st 2019. If an airline is qualified for the multiyear discount during 2021, the following years will be compared to 80 per cent of the full year volume 2019. An airline may request to not receive Swedavia Welcome Back Incentive in 2021 and may instead request PIB for full year 2021, which will be compared to 80 per cent of the full year volume 2019.

For Intercontinental destinations, due to Covid-19 and Swedavia Welcome Back Incentive, the volume of departing passengers during 2021 will be compared to 80 per cent of the full year volume 2019. However, passengers which receive Swedavia Welcome Back Incentive will be excluded from the passenger base used to calculate PIB.

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 reach out to your contact person or send an e-mail to 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

Appendix – Special Calculation examples for 2021

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. The following examples clarifies the special rules applied due to Covid-19.

Example 1

If airline X had 200 000 departing passengers during 2019, whereof 150 000 during the last 9 months, the PIB limit is 120 000 departing passengers for 2021. If the airline increases the volume with 30 000 departing passengers during 2021, where all of the increase is in the period April 1st, 2021 and December 31st 2021, the PIB is only valid for one year.

	2019	2019 (80%)	2021	2022	2023
Departing passengers (non-NDD) full year	200 000	160 000	190 000	190 000	190 000
Departing passengers (non-NDD) Between April 1 st and December 31 st	150 000	120 000	150 000		
Net increase			30 000		
Net increase Between April 1 st and December 31 st			30 000		
Passengers available for PIB year 1			30 000		
Passengers available for PIB year 2					
Passengers available for PIB year 3					
Total number of passengers available for PIB (various rates)			30 000		

Example 2

If airline X had 200 000 departing passengers during 2019, whereof 150 000 during the last 9 months, the PIB limit is 120 000 departing passengers for 2021. If the airline increases the volume with 100 000 departing passengers during 2021, where all of the increase is in the period April 1st 2021 and December 31st 2021, the PIB is valid for multi-year payouts. These payouts are applicable for increases in 2021 sustained in 2022 and 2023 (over 50 000 passengers), compared to 80 % of the full year volume 2019.

	2019	2019 (80%)	2021	2022	2023
Departing passengers (non-NDD) full year	200 000	160 000	260 000	260 000	260 000
Departing passengers (non-NDD) Between April 1 st and December 31 st	150 000	120 000	220 000		
Net increase			100 000		
Net increase Between April 1 st and December 31 st			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 3

If airline X had 200 000 departing passengers during 2019, whereof 150 000 during the last 9 months, the PIB limit is 120 000 departing passengers for 2021. If the airline increases the volume with 100 000 departing passengers during 2021, where all of the increase is in the period April 1st 2021 and December 31st 2021 and no departing passengers during first quarter, the PIB is valid for multi-year payouts. These payouts are applicable for increases in 2021 sustained in 2022 and 2023 (over 50 000 passengers), compared to 80 % of the full year volume 2019.

	2019	2019 (80%)	2021	2022	2023
Departing passengers (non-NDD) full year	200 000	160 000	220 000	220 000	220 000
Departing passengers (non-NDD) Between April 1 st and December 31 st	150 000	120 000	220 000		
Net increase			100 000		
Net increase Between April 1 st and December 31 st			100 000		
Passengers available for PIB year 1			100 000		
Passengers available for PIB year 2				10 000	
Passengers available for PIB year 3					10 000
Total number of passengers available for PIB (various rates)			100 000	10 000	10 000