



JAMAICA CIVIL AVIATION AUTHORITY

NEWS RELEASE

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For Immediate Release

JAMAICA TO DISCONTINUE COMMERCIAL AIR OPERATORS FEES

Commercial Air Operators flying to Jamaica will no longer be subject to Jamaica Civil Aviation Authority, JCAA, Charges. The move comes following a recent Cabinet approval of a Submission.

The submission which was put forward by the Minister of Transport and Works, implements a US\$8.00 Passenger Aviation Service Charge. This charge is expected to become effective as early as the second quarter of the 2010/2011 financial year.

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Currently, commercial air operators are subject to a variety of charges by the JCAA including Air Navigation Fees, Communications Charges, Charges for Air Operators Certificates and numerous other charges contained in the Twenty Second Schedule of the Jamaica Civil Aviation Regulations.

Under the new system these charges will be reallocated to the passenger. It should be noted however, that this adjustment of the charge to the passenger is not new as passengers already pay these charges in their tickets.

The revised charges are expected to further generate growth in air commerce within the local aviation sector and make Jamaica a more affordable destination for airlines.

The Jamaica Civil Aviation Authority, JCAA, is projecting that the removal of the charges to the industry will assist airlines operating cost, improving the chance of profitability. This will make Jamaica a more attractive destination for increased commercial operation. The anticipated increased in air commerce is further estimated to boost the viability of our airports as well as the country's tourism sector.

The Civil Aviation Act and the Jamaica Civil Aviation Regulations allows for the JCAA to charge fees for providing air navigation services and other civil aviation services.

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The fees are charged to the airline, and are therefore used in the calculation of the ticket prices for travel to Jamaica. These charges will instead be paid by the passengers in the form of a small fee of US\$4 on each one way international ticket. The system is similar to that used by the US FAA which charges 7.5% on the base fare of each ticket sold.

This is the second time since the start of the year that the government has introduced measures to boost the aviation sector. In February the Government waived the fees charged to operators of small aircraft in an effort to stimulate the General Aviation Sector.

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