

Incentive Programme 2021



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I. INTRODUCTION

Malta International Airport plc (“MLA”) supports growth in its passenger traffic, by proposing attractive reductions on the Passenger Service Charge. Incentive Schemes are available to airlines operating from specific destinations or strategic markets, as identified as being such by MLA. The airport also offers rebates to airlines that promote transfer traffic via Malta, thus supporting its hub function. Winter landing rebates are available for airlines who meet the necessary criteria, in line with the airport’s strategy to reduce seasonality.

This incentive program is available to download from The Malta International Airport website.

II. APPLICATION

Airlines which would like to confirm whether they are eligible for any of the incentive schemes available should inform MLA and will then be provided with the specific terms and conditions and the relative agreement, depending on the incentive(s) applied for.

Accordingly, this document does not constitute an agreement and is for information only. Eligibility for any incentive shall be subject to the relevant air carrier executing a binding agreement with MLA, which agreement shall include all terms and conditions for eligibility.

This document, and the incentive schemes described herein, may be withdrawn, cancelled, altered, or changed in any manner, at the sole discretion of MLA.

III. INCENTIVE SCHEMES

The Incentive Schemes on offer in 2021 are the following:

- | | |
|----------------------------|----------------------------|
| 1. Underserved Routes | 4. Transfer Traffic |
| 2. Strategic Routes | 5. Free Parking |
| 3. Intercontinental Routes | 6. Free Landings in Winter |

1. UNDERSERVED ROUTES

1.1 Objective of the Incentive Scheme

The objective of this incentive scheme is to encourage improved connectivity between MLA and several markets along with the recovery of routes, specifically among those which operated a reduced flight schedule during the period April 2020 – March 2021, by offering reductions on the Passenger Service Charge (PSC) which airlines can benefit from for a period of 3 years.

1.2 Eligibility

- Eligible New Routes are defined as unserved or underserved routes to/from cities or regions which Malta International Airport was directly connected to by less than 100 aircraft movements during the period April 2020 – March 2021. A detailed list of non-eligible cities/regions and airport/routes are set out in Annex 1. All other cities/regions and airports/routes are eligible.
- The incentive scheme applies to launching scheduled routes, which shall be published in such a manner that they may, insofar as possible, be booked either via computer reservation system (CRS) or from a web-based reservation system, based on the city pair.
- Airports within the range of 150km of a city/region included in Annex 1 are not eligible.
- An airline eligible for this incentive scheme can only benefit from this incentive once per route.

1.3 Conditions

- A minimum of 90% of the scheduled frequencies (as defined in the eventual contract) have to be actually operated.
- During the summer flight period at least two frequencies per week and during the winter flight period at least two frequencies per week shall be operated.
- If an airline is already benefiting from an incentive agreement granted by the Malta Tourism Authority (MTA) the applicable incentive shall be paid to the MTA and not to the carrier.
- An airline can benefit from only one of; Underserved, Strategic or Intercontinental Incentives for the same route.
- All dues to MLA by the operating carrier must be paid.

1.4 Rebates Offered

The incentive shall consist of rebates on the Passenger Service Charge charged by MLA according to the then current tariff regulations. The rebates shall be applied as follows:

Summer flight period:

- 30% (currently € 4.75 per departing passenger) for the 1st year of operation
- 20% (currently € 3.17 per departing passenger) for the 2nd year of operation
- 10% (currently € 1.58 per departing passenger) for the 3rd year of operation

Winter flight period:

- 40% (currently € 6.34 per departing passenger) for the 1st year of operation
- 30% (currently € 4.75 per departing passenger) for the 2nd year of operation
- 20% (currently € 3.17 per departing passenger) for the 3rd year of operation

2. STRATEGIC ROUTES

2.1 Objective of the Incentive Scheme

The objective of this incentive scheme is to promote growth in strategic markets, as identified by MLA.

2.2 Eligibility

Eligible Strategic Routes and those routes which meet the criteria of the “Underserved Routes” incentive scheme, but also fall under of the strategic markets defined hereunder:

- Baltic regions: Lithuania, Estonia, Latvia
- Eastern Europe: Bulgaria (excl. Sofia), Czech Republic, Hungary (excl. Budapest), Poland (excl. Krakow, Warsaw), Romania (excl. Bucharest), Slovakia (excl. Bratislava) and Ukraine
- Iceland
- Russia
- Scandinavia: Denmark, Finland, Norway, and Sweden
- Switzerland (excl. Zurich)
- Portugal
- Germany (Bremen, Leipzig, Nuremberg, Dresden, Hannover, Hamburg, Stuttgart)
- France (Nice, Montpellier, Lille, Brest)
- Spain (Bilbao)
- Georgia

The incentive scheme applies to destinations, which shall be published in such a manner that they may, insofar as possible, be booked either via computer reservation system (CRS) or from a web-based reservation system, based on the city pair

2.3 Conditions

- A minimum of 90% of the scheduled frequencies (as defined in the eventual contract) have to be actually operated.
- During the summer flight period at least two frequencies per week and during the winter flight period at least two frequencies per week shall be operated.

- Airports within the range of 150km of a city/region included in Annex 1 are not eligible.
- If an airline is already benefiting from an incentive agreement granted by the Malta Tourism Authority (MTA) the applicable incentive shall be paid to the MTA and not to the carrier.
- An airline can benefit from only one of; Underserved, Strategic or Intercontinental Incentives for the same route.
- All dues to MLA by the operating carrier must be paid.

2.4 Rebates Offered

The incentive shall consist of rebates on Passenger Service Charge charged by MLA according to the then current tariff regulations. The rebates shall be applied as follows:

Summer flight period:

- 40% (currently € 6.34 per departing passenger) for the 1st year of operation
- 30% (currently € 4.75 per departing passenger) for the 2nd year of operation
- 20% (currently € 3.17 per departing passenger) for the 3rd year of operation

Winter flight period:

- 60% (currently € 9.50 per departing passenger) for the 1st year of operation
- 50% (currently € 7.92 per departing passenger) for the 2nd year of operation
- 40% (currently € 6.34 per departing passenger) for the 3rd year of operation

3. INTERCONTINENTAL ROUTES

3.1 Objective of the Incentive Scheme

The objective of this incentive scheme is to encourage growth in MLA Intercontinental Traffic by offering reductions on the Passenger Service Charge (PSC) which airlines can benefit from for period of 3 years.

3.2 Eligibility

- An Intercontinental Route is defined as a destination outside of the European continent, exceeding a flight range of 3,500Km from Malta International Airport.
- The incentive scheme applies to destinations, which shall be published in such a manner that they may, insofar as possible, be booked either via computer reservation system (CRS) or from a web-based reservation system, based on the city pair.

3.3 Conditions

- 90% of the scheduled frequencies (as defined in the eventual contract) have to be actually operated.
- During the summer flight period at least two frequencies per week and during the winter flight period at least two frequencies per week shall be operated.
- If an airline is already benefiting from an incentive agreement granted by the Malta Tourism Authority (MTA) the applicable incentive shall be paid to the MTA and not to the carrier.
- An airline can benefit from only one of; Underserved Strategic or Intercontinental Incentives for the same route.
- All dues to MLA by the operating carrier must be paid.

3.4 Rebates Offered

The incentive shall consist of rebates on Passenger Service Charge charged by MLA according to the then current tariff regulations. The rebates shall be applied as follows:

Summer flight period:

- 70% (currently €11.09 per departing passenger) for the 1st year of operation
- 60% (currently €9.50 per departing passenger) for the 2nd year of operation
- 50% (currently €7.92 per departing passenger) for the 3rd year of operation

Winter flight period:

- 80% (currently €12.67 per departing passenger) for the 1st year of operation
- 70% (currently €11.09 per departing passenger) for the 2nd year of operation
- 60% (currently €9.50 per departing passenger) for the 3rd year of operation

4. TRANSFER TRAFFIC

4.1 Objective of the Transfer Incentive Scheme

The purpose of this incentive is to promote Malta as a hub, by offering rebates on the Passenger Service Charge to airlines using MLA as a transfer airport, hence increasing transfer traffic.

4.2 Eligibility

- A transfer passenger is a traveller who travels in a logical direction and changes at Malta International Airport:
from one aircraft to another aircraft of the same airline with a different flight number; or from one aircraft of an airline to another aircraft of a different airline
- The transfer must take place within a maximum of 6 hours after the arrival of the inbound flight
- The basis of calculation is the number of transfer passengers of the corresponding airline reported electronically by the passenger handling agent (self-handler or handling agent). Return-Check-Ins are excluded from the Incentive.
- This incentive is valid until December 2021.

4.3 Conditions

- The airline must present adequate proof to Malta International Airport that it is eligible for the incentive as well as the number of transfer passengers that meet the conditions.
- All dues to MLA by the operating carrier must be paid.

4.4 Rebates Offered

Malta International Airport will refund € 8 per departing transfer passenger.

5. FREE PARKING

5.1 Objective of the Incentive

This incentive is intended to encourage airlines to consider night-stops in Malta, thus offering improved connectivity through better timings.

5.2 Eligibility

- The following incentive is only valid for scheduled passenger flights night-stopping in Malta. This incentive is valid until March 2022.

5.3 Conditions

- All dues to MLA by the operating carrier must be paid.
- If an airline is already benefiting from an incentive agreement granted by the Malta Tourism Authority (MTA) the applicable incentive shall be paid to the MTA and not to the carrier.

5.4 Rebate Offered

100% of parking charges paid during the IATA summer and winter seasons.

6. FREE LANDINGS IN WINTER

6.1 Objective of this Incentive

The objective of this incentive is to stimulate traffic during the shoulder and winter months (November-March), by offering a full rebate on the landing fees.

6.2 Eligibility

- This incentive is only applicable for scheduled passenger flights that are operated during the IATA winter season 2021-22.

6.3 Conditions

- All dues to MLA by the operating carrier must be paid.
- If an airline is already benefiting from an incentive agreement granted by the Malta Tourism Authority (MTA) the applicable incentive shall be paid to the MTA and not to the carrier.

6.4 Rebate Offered

Malta International Airport will refund 100% of the landing fees that are paid during the IATA winter season 2021-22.

V. FURTHER INFORMATION

For further information about the terms and conditions of any of the above incentives, or if you wish to apply for one or several of the incentives, you are kindly requested to contact:

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VI. LEGAL NOTICE

This document is provided for information purposes only, and to highlight the incentive schemes which Malta International Airport plc is offering. This document does not include all the terms and conditions applicable to the relevant incentive schemes, nor an exhaustive list of the applicable eligibility criteria.

This document does not create any legal relationship between Malta International Airport plc and any person, nor does this document grant any rights to any person enforceable against Malta International Airport plc.

ANNEX 1

NON-ELIGIBLE CITIES/REGIONS

CITY	ACMs (APR2020-MAR2021)
London	1023
Frankfurt	856
Rome	774
Catania	535
Brussels	404
Vienna	394
Munich	382
Paris	366
Milan	363
Istanbul	278
Amsterdam	275
Manchester	246
Zurich	226
Berlin	209
Dublin	186
Barcelona	171
Budapest	164
Marseille	152
Naples	148
Athens	147
Sofia	144
Dusseldorf	123
Madrid	123
Krakow	120
Warsaw	104
Luxembourg	101