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**AIR NAVIGATION ACT
(CHAPTER 6)**

**AIR NAVIGATION
(LICENSING OF AIR SERVICES) (AMENDMENT)
REGULATIONS 2011**

In exercise of the powers conferred by section 16 of the Air Navigation Act, the Minister for Transport hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Air Navigation (Licensing of Air Services) (Amendment) Regulations 2011 and shall come into operation on 10th June 2011.

Deletion and substitution of regulation 2F

2. Regulation 2F of the Air Navigation (Licensing of Air Services) Regulations (Rg 2) (referred to in these Regulations as the principal Regulations) is deleted and the following regulation substituted therefor:

“Application for grant or renewal of licence

2F.—(1) An application for the grant or renewal of a licence to provide air services which are the subject of any available air traffic rights shall be made to the Committee.

(2) Except as otherwise provided in this regulation, the application shall be made in such form and manner as the Committee may require.

(3) When an application is made to the Committee for the grant or renewal of a licence under this Part, the applicant must first submit to the Committee the information specified in Part I of the Schedule unless —

(a) the applicant already holds a valid Traffic Rights Application Certificate granted under regulation 2H(1)(a) relating to a network of air services that covers the air services that are the subject of the application; or

(b) the Committee specifies otherwise.

(4) After receiving a Traffic Rights Application Certificate under regulation 2H(1)(a), the applicant for the grant or renewal of a licence —

- (a) who is the holder of a valid air operator certificate; and
- (b) whose application relates to air services within the network of air services that are the subject of the Traffic Rights Application Certificate,

must submit to the Committee the information specified in Part II of the Schedule, unless the Committee specifies otherwise.

(5) Unless otherwise allowed by the Committee, the application shall —

- (a) if it is an application for the grant of a licence, be made at least 6 months before the date on which the applicant proposes to commence the provision of air services that are the subject of the application; and
- (b) if it is an application for the renewal of a licence, be made at least 6 months before the date of expiry of the licence.

(6) The Committee may require an applicant to furnish such other documents and information as the Committee thinks fit and the applicant shall comply with such requirement.

(7) The Committee may reject an application without further consideration if the applicant does not comply with this regulation.”.

Amendment of regulation 2G

3. Regulation 2G of the principal Regulations is amended by deleting paragraph (1) and substituting the following paragraph:

“(1) The Committee may take into account the following matters when considering an application for the grant or renewal of a licence:

- (a) the nationality of the applicant or, if the applicant is a body corporate, the place of its incorporation and the nationalities of the persons whom the Committee considers hold substantial ownership and effective control of the applicant;

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- (b) the financial resources of the applicant and his ability to maintain adequate, satisfactory, safe and efficient air services;
 - (c) the applicant's proposals for providing air services in terms of —
 - (i) the network of air services the applicant intends to provide and the aircraft fleet to be used for those air services, including the proposed date of commencement of those air services;
 - (ii) the market segments targeted;
 - (iii) the branding for the air services to be provided;
 - (iv) the markets to be served under co-operative arrangements with other operators; and
 - (v) the viability of the applicant's overall business model, including traffic forecasts of the air services to be provided by the applicant;
 - (d) whether there are available air traffic rights relating to the network of air services proposed to be provided by the applicant;
 - (e) the extent to which the applicant's proposed overall network of air services will promote Singapore as an air hub;
 - (f) any other benefits that would accrue to Singapore by the applicant's proposed overall network of air services;
 - (g) whether the applicant is the holder of an air operator certificate;
 - (h) the applicant's proposals for providing air services in terms of —
 - (i) the cities to be served;
 - (ii) the routes on which the air services are to be provided;
 - (iii) the aircraft types and configurations to be used;
 - (iv) the frequency, capacity and timetable of the air services to be provided;
 - (v) the types of traffic to be carried;
 - (vi) the tariffs to be charged and conditions of tariffs;

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- (vii) the expected load factors of passenger and cargo carriage;
 - (viii) the expected load factors of passenger and cargo carriage that must be achieved in order to avoid any financial loss in providing the air services concerned;
 - (ix) the date on which the provision of air services is to commence and the ability of the applicant to enter the air services market quickly;
 - (x) the nature of the air services to be provided, including any joint services, code-sharing and other arrangements to be entered into with one or more airlines with respect to the air services to be provided;
 - (xi) the applicant's business strategy (including the tariffs to be charged and conditions of tariffs, the proposed range and quality of services to be provided and the applicant's explanation as to how the applicant intends to meet the commitments contained in his proposals); and
 - (xii) the international civil aviation requirements relating to operational and safety standards;
- (i) the provision of air services by other airlines along the routes in respect of which the application is made;
 - (j) the demand for air services along the routes in respect of which the application is made;
 - (k) the applicant's past performance in respect of any air services provided by him prior to the application;
 - (l) the extent to which tourism can be promoted if a licence is granted to the applicant or if his licence is renewed;
 - (m) the extent to which international trade can be promoted if a licence is granted to the applicant or if his licence is renewed;
 - (n) the extent to which Singapore can be promoted as an air hub if a licence is granted to the applicant or if his licence is renewed;
 - (o) the benefits that would ensue to the public if a licence is granted to the applicant or if his licence is renewed

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- (including the availability of effective, efficient, economical and safe air services);
- (*p*) the extent to which good relations and co-operation (particularly in respect of the provision of air services) with foreign governments can be fostered if a licence is granted to the applicant or if his licence is renewed; and
- (*q*) any other benefits that would accrue to Singapore if a licence is granted to the applicant or if his licence is renewed.”.

Deletion and substitution of regulation 2H

4. Regulation 2H of the principal Regulations is deleted and the following regulation substituted therefor:

“Grant or renewal of licence

2H.—(1) When an applicant for the grant or renewal of a licence under this Part, pursuant to regulation 2F(3), submits to the Committee the information specified in Part I of the Schedule, the Committee may, after taking into account the matters referred to in regulation 2G(1)(*a*), (*b*), (*c*), (*d*), (*e*) and (*f*) and any other relevant matter under regulation 2G(2) —

- (*a*) issue a Traffic Rights Application Certificate to the applicant stating —
- (i) the network of air services which the applicant may provide; and
 - (ii) that the Committee is satisfied that the applicant satisfies such criteria upon which the Traffic Rights Application Certificate is issued; or
- (*b*) refuse to grant or renew the licence.

(2) When an applicant for the grant or renewal of a licence under this Part, pursuant to regulation 2F(4), submits to the Committee the information specified in Part II of the Schedule, the Committee may, after taking into account the matters referred to in regulation 2G(1)(*g*) to (*q*) and any other relevant matter under regulation 2G(2) —

- (*a*) grant or renew the licence subject to such terms and conditions as it may determine; or

(b) refuse to grant or renew the licence, as the case may be.

(3) The Committee shall issue a Traffic Rights Application Certificate, stating the network of air services which may be provided, to every person who, immediately before 10th June 2011, is the holder of a licence granted under this Part.

(4) Any Traffic Rights Application Certificate issued under paragraph (1)(a) shall cease to be valid if the holder of the Traffic Rights Application Certificate does not provide any air services which are the subject matter of the Certificate for any period of one consecutive year beginning on or after the date of issue of the Certificate.

(5) Without prejudice to any other ground on which the Committee may refuse to grant or renew a licence, the Committee may, in particular, refuse to grant or renew a licence —

- (a) if the applicant is not a citizen of Singapore, or not a company incorporated in Singapore which the Committee considers to be substantially owned and effectively controlled by the Government or citizens of Singapore or both;
- (b) if the Committee is not satisfied that the applicant has sufficient financial resources to provide the air services in respect of which the application is made;
- (c) if the grant or renewal of the licence would result in a contravention of the air services agreement in relation to which the application is made; or
- (d) if the applicant does not hold a valid air operator certificate.”.

Amendment of regulation 2J

5. Regulation 2J(4) of the principal Regulations is amended by deleting the words “regulation 2H(1)(a)” and substituting the words “regulation 2H(2)(a)”.

New Schedule

6. The principal Regulations are amended by inserting, immediately after regulation 22, the following Schedule:

“THE SCHEDULE

Regulations 2F and 2H

INFORMATION REQUIRED IN APPLICATION FOR LICENCE

PART I

1. If the applicant is a body corporate, information about the persons who hold ownership of the applicant, and about the persons who control the applicant.
2. Information about the applicant’s financial resources.
3. Information about —
 - (a) the network of air services the applicant intends to provide and the aircraft fleet to be used for those air services, including the proposed date of commencement of those air services;
 - (b) the market segments targeted;
 - (c) the branding for the air services to be provided;
 - (d) the markets to be served under co-operative arrangements with other operators; and
 - (e) the viability of the applicant’s overall business model, including traffic forecasts of the air services to be provided by the applicant.
4. Information about the extent to which the applicant’s proposed overall network of air services will promote Singapore as an air hub.
5. Information about any other benefits that would accrue to Singapore by the applicant’s proposed overall network of air services.

PART II

1. Information about —
 - (a) the cities to be served;
 - (b) the routes on which the air services are to be provided;
 - (c) the aircraft types and configurations to be used;
 - (d) the frequency, capacity and timetable of the air services to be provided;
 - (e) the types of traffic to be carried;
 - (f) the tariffs to be charged and conditions of tariffs;
 - (g) the expected load factors of passenger and cargo carriage;
 - (h) the expected load factors of passenger and cargo carriage that must be achieved in order to avoid any financial loss in providing the air services concerned;
 - (i) the proposed date on which the provision of air services is to commence;
 - (j) the nature of the air services to be provided, including any joint services, code-sharing and other arrangements to be entered into with one or more airlines with respect to the air services to be provided;

THE SCHEDULE — *continued*

- (k) the benefits that would ensue to the public if a licence is granted to the applicant or is renewed;
- (l) the extent to which tourism can be promoted if a licence is granted to the applicant or is renewed;
- (m) the extent to which international trade can be promoted if a licence is granted to the applicant or is renewed;
- (n) the extent to which Singapore can be promoted as an air hub if a licence is granted to the applicant or if his licence is renewed; and
- (o) any other benefits that would accrue to Singapore if a licence is granted to the applicant or if his licence is renewed.”.

Transitional provision

7. Any licence granted or renewed under regulation 2H of the principal Regulations in force immediately before 10th June 2011 shall be deemed to be a licence granted or renewed, as the case may be, under regulation 2H of the principal Regulations as amended by these Regulations.

[G.N. Nos. S 128/2010; S 338/2010]

Made this 6th day of June 2011.

CHOI SHING KWOK
*Permanent Secretary,
Ministry of Transport,
Singapore.*

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