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**AIR NAVIGATION ACT
(CHAPTER 6)**

**AIR NAVIGATION
(LICENSING OF AIR SERVICES) (AMENDMENT NO. 2)
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 No. 2) Regulations 2011 and shall come into operation on 19th December 2011.

Amendment of regulation 2

2. Regulation 2 of the Air Navigation (Licensing of Air Services) Regulations (Rg 2) (referred to in these Regulations as the principal Regulations) is amended —

(a) by inserting, immediately after the definition of “air services agreement”, the following definition:

“ “assignment”, in relation to a licence granted under Part IA or II, means the transfer of the authorisation to provide all air services which are the subject of the licence;” and

(b) by deleting the full-stop at the end of the definition of “scheduled journey” and substituting a semi-colon, and by inserting immediately thereafter the following definition:

“ “transfer”, in relation to a licence granted under Part IA or II, means the transfer in part of the authorisation to provide the air services which are the subject of the licence.”.

Amendment of regulation 2E

3. Regulation 2E of the principal Regulations is amended —

- (a) by deleting the word “and” at the end of paragraph (a); and
- (b) by deleting the full-stop at the end of paragraph (b) and substituting the word “; and”, and by inserting immediately thereafter the following paragraph:

“(c) to consider any application for approval to transfer or assign any licence, and to approve the transfer or assignment of such licence subject to such terms and conditions as the Committee may determine or to refuse such approval.”.

Amendment of regulation 2J

4. Regulation 2J(1) of the principal Regulations is amended by deleting the words “\$2,000 for each city in respect of which air services are provided under his licence” and substituting the words “\$2,200 for each city in respect of which air services are provided under his licence, or a pro-rata amount of that fee if the period to which the licence relates is less or more than 12 months”.

Amendment of regulation 2M

5. Regulation 2M(1) of the principal Regulations is amended by inserting, immediately after sub-paragraph (ga), the following sub-paragraph:

“(gb) after the transfer or assignment of the licence to the licensee, the licensee ceases to be related (within the meaning of regulation 2U(6)) to the transferor of the licence;”.

Amendment of regulation 2O

6. Regulation 2O of the principal Regulations is amended by inserting, immediately after paragraph (2), the following paragraph:

“(3) Where the Committee approves the transfer of a licence from a licensee (referred to as the transferor) to another (referred to as the transferee), the licence held by the transferor shall remain valid but varied to the extent that the Committee has approved the transfer of the authorisation to provide air services under that licence to the transferee.”.

Amendment of regulation 2P

7. Regulation 2P of the principal Regulations is amended by inserting, immediately after paragraph (2), the following paragraph:

“(3) Upon the Committee approving the assignment of a licence from a licensee to another, the licensee shall without delay surrender the licence in its possession to the Committee for cancellation.”.

Amendment of regulation 2Q

8. Regulation 2Q(1) of the principal Regulations is amended by inserting, immediately after sub-paragraph (a), the following sub-paragraph:

“(aa) to refuse to approve a transfer or an assignment of a licence;”.

New regulation 2U

9. The principal Regulations are amended by inserting, immediately after regulation 2T, the following regulation:

“Transfer and assignment of licences

2U.—(1) Where the holder of a licence (referred to in these Regulations as the transferor) desires to transfer or assign the licence to another person (referred to in these Regulations as the transferee), any joint application by them under regulation 19 to the Committee for approval to transfer or assign the licence must, in addition to such requirements as are specified in regulation 19 —

- (a) be made no later than 6 months before the date on which the licence is proposed to be transferred or assigned, as the case may be;
- (b) be accompanied by the information specified in the Second Schedule; and
- (c) be accompanied by an application by the transferee for the grant of that licence,

and the applications may be summarily refused if this paragraph is not complied with.

(2) The Committee shall consider any joint application for approval to transfer or assign a licence together with the transferee's application for the grant of a licence, and regulations 2F, 2G and 2H shall apply to and in relation to the transferee's application for the licence with such modifications as are necessary.

(3) Notwithstanding regulation 19(5), the Committee shall not approve the transfer or assignment, as the case may be, of a licence from a transferor to a transferee if the transferor and transferee are not related and the application is made in circumstances other than those described in regulation 19(3).

(4) Where the Committee refuses to approve the transfer or assignment of a licence that is the subject of an application under regulation 19, the Committee must without delay inform the transferor and the transferee of its decision.

(5) Upon an approval of any assignment of a licence, the transferor shall cease to be a licensee but shall remain liable for any act or omission done, caused, permitted or made by the transferor before the assignment.

(6) For the purposes of these Regulations, a transferee is related to the transferor, and vice versa, if —

- (a) the transferee is the wholly-owned subsidiary of the transferor;
- (b) the transferor is a wholly-owned subsidiary of the transferee; or
- (c) the transferor and the transferee are each wholly-owned subsidiaries of the same holding corporation,

and "wholly-owned subsidiary" has the same meaning given in the Companies Act (Cap. 50).".

Amendment of regulation 15

10. Regulation 15 of the principal Regulations is amended by deleting paragraph (1) and substituting the following paragraph:

"(1) Where an application is made for a permit, the Chief Executive may —

- (a) grant, subject to such conditions as he may impose —
 - (i) upon an application under regulation 16(4), an express permit to provide air services on the single one-way or return flight specified in the permit; or

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- (ii) upon an application under regulation 16(3), a normal permit to provide air services on such journeys as may be specified in the permit; or
 - (b) refuse to grant any such permit.”.

Amendment of regulation 16

11. Regulation 16 of the principal Regulations is amended by inserting, immediately after paragraph (2), the following paragraphs:

“(3) A person seeking a normal permit must submit an application for the normal permit at least 3 whole working days before the day of the first flight on the (one-way or return) journeys to be specified in the normal permit; and any such application not made in compliance with this regulation may be refused.

(4) Notwithstanding paragraph (3), a person may in special circumstances apply for an express permit to provide air services on a single one-way or return flight taking place at least 24 hours after the application is made; and any such application not made in compliance with this regulation may be refused.

(5) In this regulation, “working day” means —

- (a) a period that begins at 8.30 a.m. and ends at 6 p.m. on any Monday to Thursday that the Authority is open for business; and
- (b) a period that begins at 8.30 a.m. and ends at 5.30 p.m. on any Friday that the Authority is open for business,

and any application under this regulation that is made after the close of business shall be deemed to have been made on the next working day.”.

Amendment of regulation 18

12. Regulation 18 of the principal Regulations is amended by deleting paragraph (1) and substituting the following paragraph:

“(1) There shall be paid to the Authority upon the grant of a permit the following fees:

- (a) for each express permit applied for under regulation 16(4) — \$231;

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- (b) for each normal permit applied for under regulation 16(3) —
- (i) \$77 for a normal permit covering a single one-way or return flight;
 - (ii) \$148 for a normal permit covering 2 or more one-way or return flights but not more than 5 such flights;
 - (iii) \$297 for a normal permit covering more than 5 one-way or return flights but not more than 10 such flights; or
 - (iv) \$737 for a normal permit covering more than 10 one-way or return flights.”.

Amendment of regulation 19

13. Regulation 19 of the principal Regulations is amended —

- (a) by deleting paragraph (2) and substituting the following paragraphs:

“(2) The holder of a licence or permit may transfer or assign the licence or permit to another person only with the prior approval of the relevant authority.

(2A) Every application for approval to a transfer or an assignment of a licence or permit must be —

- (a) made to the relevant authority;
 - (b) made jointly by the holder of the licence or permit and the person to whom the holder wishes to transfer or assign the licence or permit; and
 - (c) in the case of a licence under Part IA, in accordance with regulation 2U.”;
- (b) by deleting the words “The relevant authority” in paragraph (5) and substituting the words “Without prejudice to regulation 2U, the relevant authority”;
- (c) by inserting, immediately after paragraph (5), the following paragraph:

“(5A) In making its determination under paragraph (5) with respect to an application for approval to a transfer or an assignment of a licence granted under Part IA, the Committee shall have regard to —

- (a) the reasons for the transfer;

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- (b) whether the transferee is a designated carrier under the air services agreement relating to the provision of air services under the licence;
 - (c) whether the transferee is the holder of a valid air operator certificate;
 - (d) the matters referred to in regulation 2G(1)(h) to (q) in so far as these apply to both the transferor and transferee; and
 - (e) any matters considered by the Committee at the time the licence was granted to the transferor, including any other competing applications for that same licence at that time.”; and
- (d) by deleting the words “An application for the transfer or” in paragraph (6) and substituting the words “Except as otherwise provided in this regulation and regulation 2U, an application for the”.

Amendment of Schedule

14. The Schedule to the principal Regulations is amended by deleting the words “THE SCHEDULE” and substituting the words “FIRST SCHEDULE”.

New Second Schedule

15. The principal Regulations are amended by inserting, immediately after the First Schedule, the following Schedule:

“SECOND SCHEDULE

Regulation 2U

INFORMATION REQUIRED IN APPLICATION
FOR APPROVAL TO TRANSFER OR ASSIGN LICENCE
GRANTED UNDER PART IA

1. The identity and particulars of any person who —
 - (a) controls more than half the voting power in the transferor and the transferee, respectively;
 - (b) holds more than half of the issued share capital of the transferor and the transferee, respectively (excluding any part thereof which consists of preference shares and treasury shares); or
 - (c) controls the composition of the board of directors of the transferor and transferee, respectively.
2. The relationship between the transferor and the transferee.

SECOND SCHEDULE — *continued*

3. The cities to be served by the transferor and the transferee, respectively, after the transfer or assignment of the licence.
4. The routes on which air services are to be provided by the transferor and the transferee, respectively, after the transfer or assignment of the licence.
5. The types and configurations of the aircraft to be used by the transferee on the flights under the licence.
6. The frequency, capacity and timetable of the air services to be provided by the transferor and the transferee, respectively, after the transfer or assignment of the licence.
7. The types of traffic to be carried by the transferor and the transferee, respectively, after the transfer or assignment of the licence.
8. The tariffs to be charged by the transferor and the transferee, respectively, after the transfer or assignment of the licence, and the conditions of those tariffs.
9. The expected load factors of passenger and cargo carriage —
 - (a) of the transferor and the transferee, respectively, after the transfer or assignment of the licence; and
 - (b) that must be achieved by the transferor and the transferee, respectively, after such transfer or assignment in order to avoid any financial loss in providing air services under their respective licences.
10. The date on which the transferee proposes to start providing air services under the licence to be transferred or assigned.
11. The nature of the air services to be provided by the transferor and transferee, respectively, after the transfer or assignment of the licence, including any joint services, code-sharing or other arrangements entered or to be entered into with other airlines with respect to the air services to be provided by the transferor and transferee, respectively.
12. The benefits that would ensue to the public if the transfer or assignment of the licence is approved.
13. The extent to which —
 - (a) tourism in Singapore would be promoted;
 - (b) international trade with Singapore would be promoted;
 - (c) Singapore as an air hub would be promoted;
 - (d) any other benefits would accrue to Singapore,if the transfer or assignment of the licence is approved.

SECOND SCHEDULE — *continued*

14. The reason or reasons for the transfer or assignment of the licence.”.

Miscellaneous amendments

16. The principal Regulations are amended by deleting the words “the Schedule” in regulations 2F(3) and (4) and 2H(1) and (2) and substituting in each case the words “the First Schedule”.

[G.N. Nos. S 128/2010; S 338/2010; S 322/2011]

Made this 14th day of December 2011.

CHAN HENG KEE
*Permanent Secretary,
Ministry of Transport,
Singapore.*

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