

GOVERNMENT NOTICE NO.....published on

CIVIL AVIATION ACT, 1977
(NO. 3 OF 1977)

RULES

(Made under section 40 (2))

THE TANZANIA CIVIL AVIATION (RATES AND CHARGES) RULES, 2009

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**PART I
PRELIMINARY**

Citation

1.-(1) The Rules may be cited as the Tanzania Civil Aviation (Rates and Charges) Rules, 2009.

(2) These Rules shall come into operation on the date of publication in the Gazette.

Interpretation

2. In these Rules, except where the concept otherwise requires:-
“Act” means the Civil Aviation Act, Cap 80;

“Authority” means the Tanzania Civil Aviation Authority;

“Service Provider” means any natural or legal person responsible for providing aeronautical airport services, air navigational services and air transport services;

“Rates and Charges” means money charged for use of air transport, aeronautical airport and air navigation services.

**PART II
APPLICATIONS**

Application

3. These rules apply to any service provider of regulated goods and services, located in the territory of the United Republic of Tanzania.

PART III

GENERAL POWERS

General
Powers

4. Subject to the provision of these rules, the Authority shall have powers to regulate rates and charges in accordance with Tanzania Civil Aviation (Economic) Regulations, 2006.

PART IV DETERMINATION OF RATES AND CHARGES

Rates and
Charges
Services
Determination

5.-(1) the setting of rates and charges for provision of all shall allow the recovery of costs, determined using best practice cost allocation criteria, with demand factors taken into account, in line with normal commercial practice.

(2) The Service Provider shall not in any way offer discriminatory rates and charges that would be inconsistent with the fair competition law.

(3) The Service Provider while setting rates and charges shall seek to recover operating costs, make appropriate allowance for any earnings from airport-related non-aeronautical activities, together with a capital charge, either as earning on capital invested or being able to fund both operating and development costs, over the lifetime of the assets.

(4) In setting rates and charges, efficiency in the provision of services must transparently be taken into consideration, so that customers are not paying for inefficiency in operations or investment.

(5) The Service Providers shall not engage in any anti-competitive behaviours and predatory pricing, by applying rates and charges below the underlying cost of providing services.

levies

(2) The Authority shall by rules made under section require regulated suppliers to pay annual levies to the Authority calculated as a percentage of the revenues of regulated suppliers from the supply of regulated goods and services.

(3) The percentage of an annual levy payable under subsection (2) may differ as between different regulated sectors but may not be different within the same regulated sector.

PART V CONSULTATION WITH CUSTOMERS

Consultation

6.-(1) The Service Provider shall consult consumers on any rates and charges charged and shall publish and provide the Authority with evidence of such consultation.

(2) Notwithstanding Rule 6(1) above, the consultation shall only be limited to aeronautical airports services and air navigation services, as defined in Tanzania Civil Aviation (Economic) Regulations, 2006.

PART VI SUBMISSION TO THE AUTHORITY

Submission

7.-(1) The Service Provider shall inform the Authority of any changes in rates and charges and provide evidence of compliance to Rule 6 above, in not less than 30 days before they become effective.

(2) All rates and charges proposals shall include details of technical, operational and any other relevant information that may be required by the Authority.

(3) The Service Provider shall publish on timely basis and submit to the Authority previous Audited Financial Statements, current Business Plans and Budgets. The Service Provider also to make a further submission on the financial implications for implementation and non implementation of the proposed rates and charges.

(4) All Service Providers providing services under monopoly environment shall be required to file rates and charges to the Authority for detailed examination and approval.

(5) The Consumers shall have the right to appeal to the Authority if they are not satisfied with the proposed rates and charges changes.

(6) The Authority shall refrain the Service Provider from implementing the new rates and charges, until the case is determined.

(7) The Authority shall require the Service Provider to furnish information relevant to the issue at hand and make a decision within 30 days from the date of submission of the required information.

(8) In the event the submitted information is not sufficient to determine the case, the Authority may decide to make a decision on the available information or require the service provider to submit the information and the conditions stated in Rule 7(7) above shall apply.

(9) Notwithstanding what has been stated in Rule 7(5) above, the Authority may hold an Inquiry, if the service under consideration is of major concern to the public.

(10) The Authority after consideration of relevant information shall make a final decision.

PART VII APPEAL PROCEDURES

Right to
Appeal

8.-(1) The Service Provider has the right to appeal in case of disagreement with the decision of the Authority

(2) The procedure to be taken shall be in accordance with Part IV

(Review s and Appeals Procedures) of the Tanzania Civil Aviation Act, 2003.

PART VIII
OFFENCES AND PENALTIES

Offences

9.-(1) Any person who contravenes or fails to comply with a provision of this Rules, commits an offence and:

(a) is liable on conviction to a fine not less than the equivalent in Tanzanian shillings of United States dollars one thousand or imprisonment for a term not less than twelve months, or to both the fine and imprisonment;

(b) in case of a continuing offence the Authority shall suspend, revoke or cancel the licence.

April 2009
Dar es Salaam

Shukuru J. Kawamba
Minister for Infrastructure Development