AEROPORTO DI PALERMO
GESAP

WINTER 2020/21
Special Policy
TO SUPPORT AIRLINES DURING THE COVID-19 PHASE/2

Update and extension for season Winter 20/21 valid from 01.06.2020 to 31.03.2021

Update published on 16/10/2020

Dear Airline Partners,

after having published the first support Policy for the season Summer 2020 we have exceptionally decided to extend our special support Policy (Covid-19 Special Policy) until the end of the coming Winter season and therefore until 31 March 2021.

Gesap will continue until 31/03/21 to give its support to all airlines, as far as PMO Airport is concerned, with the extension of he incentivation plan, and the introduction of a specific support measure developed for the Winter season.

In the view of next winter stage, usually the most critical period for traffic volumes and routes sustainability, we are going to implement the existing incentive plan with an additional opportunity coupled with the other schemes (Domestic traffic, International traffic, nr. of Routes) already in place since 1st June 2020.

This is a rewarding opportunity for those airlines which will continue operating during the Winter season 20/21 at the highest possible level of operations compared to the previous Winter 19/20.

In this way we hope to give a further support to all operators that will decide to invest again in Palermo also during the Winter period.

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THE NEW ADDITIONAL SCHEME TO SIMULATE THE WINTER TRAFFIC:

Gesap, in addition to the present Special Covid-19 Policy, is introducing the following Winter scheme in addition to the existing ones and consequently extending the validity of the Policy to 31 March 2021.

The present measure will bring the following benefits to all carriers:

1 - in the 3 months of extension of the previous schemes the carriers will have a further opportunity to achieve higher traffic volumes (domestic and international) with consequent increased discount,

2 - the Winter Bonus will bring them an extra reward based on the traffic volumes restored in the W20 compared to the previous W19 season..(*)

Winter Bonus

Percentage of restored passenger traffic volume		Extra discount %	Incentive per depax (€)
From	to		
1%	50%	0%	- €
50%	60%	1%	0,10€
60%	70%	6%	0,75€
70%	80%	11%	1,40€
80%	90%	13%	1,65€
> 90%		15%	1,80€

Example: Winter (Nov-Mar) pax 2019/20 = 100.000
Winter (Nov-Mar) pax 2020/21 = 91.000
Applicable discount = 90% = Additional incentive per depax = € 1,80

The equivalent incentive per depax, as shown in the table below, will be multiplied by the total number of departing passengers in the period NOV20-MAR21.

Unlike the domestic and international traffic schemes (calculated progressively by band), and the Route incentive (calculated over the average number of routes operated in the full period), the additional incentive paid for the Winter season will be defined based on the final band of passenger traffic percentage reached.

The total incentive amount will be paid against invoice issuance by the carrier, for the entire period June – March, according to the traffic data shared and agreed with Gesap, at the expiration date of the policy on 31 March 2021

(*) Carriers operating for the first time in PMO, for the full season Winter 20/21 will get a 6% discount, equivalent to € 0,75 per each departing passenger.

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THE SUMMER INCENTIVE SCHEMES REMAIN IN PLACE UNTIL 31/03/21.

BELOW THE EXISTING SCHEMES RELATED TO SUMMER 20 SEASON WHOSE VALIDITY IS EXTENDED UNTIL 31/03/21:

The volume of departing passengers will determine the discount layer.

All intrested airlines, operating in the period between June 1 and December 31, 2020 will be entitled to apply for the incentive plan even after the beginning of their operations, provided that they submit their application within the deadline of September 30, 2020. All the total volumes of the a.m. period (June - December) will be taken in account in any case for their eligibility under this Special Policy.

All interested carriers, without any difference, may submit a request and countersign the relevant agreement which we will send for acceptance (address your request to:

- mariangela.ciappina@gesap.it
- serviziostatistiche@gesap.it

Quantitative Traffic Schemes to obtain additional incentives

1.DOMESTIC traffic layers
Departing Pax - Discount %

Dep. Pax - Nr.	Dep. Pax Nr.	% Sconto
From 0	to 40.000	0%
From 40.001	to 60.000	5%
From 60.001	to 120.000	10%
From 120.001	to 200.000	15%
From 200.001	to 400.000	20%
From 400.001	onwards	25%

2.INTERNATIONAL traffic layers
Departing Pax - Discount %

Dep. Pax - Nr.	Dep. Pax Nr.	% Sconto
From 0	to 10.000	0%
From 10.001	to 15.000	10%
From 15.001	to 30.000	20%
From 30.001	to 50.000	25%
From 50.001	to 100.000	30%
From 100.001	onwards	35%

3.Number of routes*
Discount %

From 0	to 2	0%
From 3	to 5	2%
From 6	to 10	4%
From 11	to 15	8%
From 16	to 20	16%
From 21	onwards	25%

*See following examples

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ALTHOUGH THE COMMERCIAL POLICY IS NOT TEMPORARILY INFORCE, THE FOLLOWING ADMINISTRATIVE CRITERIA ARE MAINTAINED:

Type Of Flight /Carrier: All type of Carriers/ Operators are entitled to apply for the provision of the present policy, with no distinction among category of carriers (Scheduled Classic, Charter, Low Cost etc.)

On Time Payment Commitment: The selected Carrier will undertake to pay regularly all airport charge invoices related to its activity in Palermo.

Other Documents and Certifications: The applicant carrier cannot be, or might been present, in the Aviation EU black list of carriers not complying with safety and security International regulations.
Tour Operators are requested to submit the list of agreements with the carriers, flight schedule and passengers forecast.
Gesap is entitled to request further documentation according to the current regulations.

Incentive Schemes Mode and Extent

How The Mechanisms Works: The Incentives will be normally supplied and paid after the aviation activity will be performed and the contribution will be related to the period June-December 2020. The settlement of the carrier invoice from Gesap Spa will take place within 60 days from the receiving date of the invoice.
The incentive worth will be paid based on the nr. of departing passengers (excl. infants) on the relevant operated routes in the above mentioned period June – December 2020. The amount of the incentive per pax will be equivalent to a discount percentage (see the published table chart) on the applicable airport Charges 2 in place in the Airport of Palermo. All incentives contribution will be based and referred to departing pax (DPP) and/or departing flights, and related traffic data

2 Airport Charges : All Charges will be eligible for a discount , If applicable, with the exclusion of the "Additional Passenger Tax " and other taxes or charges imposed by the State or by Public Bodies (i.e: municipal tax).

Mentioned Regulations
1. Linee Guida inerenti le incentivazioni per l'avviamento e lo sviluppo di rotte aeree da parte dei vettori Linee Guida inerenti le incentivazioni per l'avviamento e lo sviluppo di rotte aeree da parte dei vettori ai sensi dell'art 13, commi 14 e 15 del Decreto Legge del 23.12.2013, n.145, come modificato dalla legge di conversione del 21.2.2014, n. 9 – Edizione del 11.08.2016 prot. Reg. Decreti nr. 275 .
2. Decreto Legge 145/2013 Destinazione Italia
3. Commissione Europea Comunicazione n. 2014/99C del 4.4.2014
4. Enac - Indicazioni operative per i gestori aeroportuali in caso di contributi/sostegni finanziari a favore di compagnie aeree per il lancio di nuove rotte e procedura di monitoraggio - Nov. 2014

See following examples.

ANNEX 1: HOW TO CALCULATE THE ROUTE DISCOUNT FOR THE SCHEME 3 (NR. OF ROUTES)

The percentage discount will be applied as a weighted average of the percentage weight of the routes in each layer in relation to the total number of routes operated by the carrier at PMO airport.

Example 11 Routes

Scheme 3

Number of routes		% Discount
0	2	0%
3	5	2%
6	10	4%
11	15	8%
16	20	16%
21	onwards	25%

Figures taken into account for the calculation

(A) Nr. of routes per layer	(B) Apt Charges per pax (estimated average)	(C) Weight over total number of routes	(D) Discount	(E) Weighted average value
2	12,00	18,18%	- €	**- €**
3		27,27%	0,24€	**0,07€**
5		45,45%	0,48€	**0,22€**
1		9,09%	0,96€	**0,09€**
		0,00%	1,92€	**- €**
		0,00%	3,00€	**- €**
				0,37€

The weighted value of the discount per layer **E** is obtained by multiplyng the discount **D** (= B x % discount) by the weight (percentage value) of the number of routes per band over the total routes **C**. (e.g. 11 routes C= A÷11)
Example: **11 routes** - layer from 3 to 5 routes, made of 3 routes, that over the 11 routes operated, have a weight of 27,27% (3÷11), this percentage will be multiplied by 2% discount, that is 0,24€, it will result the weighted average value of 0,07€.
The final risult of the discount will be the sum of the weighted average values for each layer. Ex: 0,07+0,22+0,09 = 0,37€

Example 28 Routes

Scheme 3

Number of routes		% Discount
0	2	0%
3	5	2%
6	10	4%
11	15	8%
16	20	16%
21	onwards	25%

Figures taken into account for the calculation

(A) Nr. of routes per layer	(B) Apt Charges per pax (estimated average	(C) Weight over total number of routes	(D) Discount	(E) Weighted average value
2	12,00	7,14%	- €	**- €**
3		10,71%	0,24€	**0,03€**
5		17,86%	0,48€	**0,09€**
5		17,86%	0,96€	**0,17€**
5		17,86%	1,92€	**0,34€**
8		28,57%	3,00€	**0,86€**
				1,48€

The weighted value of the discount per layer **E** is obtained by multiplyng the discount **D** (= B x % discount) by the weight (percentage value) of the number of routes per band over the total routes **C**. (e.g. 28 routes C= A÷28)
Example: **28 routes** - layer from 11 to 15 routes, made of 5 routes, that over the 28 routes operated, have a weight of 17,86% (5÷28), this percentage will be multiplied by 8% discount, that is 0,96€, it will result the weighted average value of 0,17€.
The final risult of the discount will be the sum of the weighted average values for each layer. Ex: 0,03 + 0,09 + 0,17 + 0,34 + 0,86 = 1,48€

Updated on 29/07/2020