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Belgrade

## AIR CARRIERS - all OPERATORS OF AERODROME - all -

**<u>Subject</u>**: Application of Regulation on amount charges to be paid to the Civil Aviation

Directorate of the Republic of Serbia and Instructions on method of calculation

and payment of charges for the development of air transport

To Whom It May Concern:

We hereby inform You that the new Air Transport Law published in the "Official Gazette of the Republic of Serbia" no. 73/10 on October 12<sup>th</sup> 2010, article 241. par.1 points 3 and 4 prescribes the entitlement of the Civil Aviation Directorate of the Republic of Serbia (herein after referred to as: Directorate), to collect charges which, for the development of air transport, shall be paid by all passengers in departure in commercial air traffic as well as air-carriers (aircraft operators) per tone of carried mail and cargo in departure in air transport, by means of the aerodrome operator.

Pursuant to article 241. par. 2. of the Air Transport Law and article 43. par. 2. of the Law on the Government ("Official Gazette of the Republic of Serbia" no. 55/05, 71/05-amended, 101/07 and 65/08), the Government of the Republic of Serbija has enacted a Decree 05 no. 110-1206/2011-3 from February 24<sup>th</sup> 2011. on issuance of agreement to the Regulation on amount of charges to be paid to the Civil Aviation Directorate of the Republic of Serbia (herein after refered to as: Regulation).

The Regulation has been published on March 1<sup>st</sup> 2011. in the "Official Gazette of the Republic of Serbia" no. 13/11 and the basic information regarding the new charges shall be published in AIC, with all other details available on the web site of the Directorate www.cad.gov.rs.

Pursuant to article 36. paragraph 2. of the Regulation, the Management board enacted Instructions in reference to the method of calculation and payment of the charges for the development of air transport which will be published in the "Official Gazette of the Republic of Serbia".

The Regulations prescribe the amount of charges to be paid to the Directorate including:

1. charges paid by passengers in departure in commercial air transport (herein after referred to as: CAD passenger charge). Air carriers are obliged to calculate in the

- price of the passenger ticket the amount of CAD passenger charge and which pursuant to article 37. of the Regulation amounts 0,98 EUR per passenger, and
- 2. charges paid by the aircraft operators per tone of mail and cargo in departure in air transport (herein after referred to as: CAD cargo charge) calculated per kilogram of actual weight in the amount of 0,02 EUR, pursuant to article 38. of the Regulation.

The Regulation entered into force on March 2<sup>nd</sup> 2011 and the calculation and collection of CAD passenger and CAD cargo charge will commence from April 1<sup>st</sup> 2011.

CAD passenger and CAD cargo charges are non-taxable and they do not constitute the revenue of air-carrier (aircraft operators) or aerodrome operator but it is a VAT exempted pass-through item which the air-carriers (aircraft operators) or aerodrome operators charge on their behalf, but for the account of the Directorate.

CAD passenger and CAD cargo charge, in an invoice issued to domestic air-carriers (aircraft operators) and aerodrome operators, will be recalculated in dinars (RSD) using middle rate of the National Bank of Serbia existing on the day of invoice.

On the basis of the issued invoices, the domestic air-carriers (aircraft operators) and aerodrome operators shall effect payment in dinars to the bank account of the Directorate, while the foreign air-carriers (aircraft operators) shall effect payment in euros (EUR) to the foreign currency account of the Directorate, pursuant to the instructions for payment stated on the issued invoice, within 8 days from the date of delivery of the invoice.

The Directorate is entitled to in cases of belated payment calculate statutory legal interest, for every day of overdue payment, with the official rate of statutory interest of the Republic of Serbia to be applied.

In case of need for additional explanations regarding the content of this letter please contact: Ms.Grozdana Bankovic, Adviser Department for planning and development or by e-mail: chargeinfo@cad.gov.rs.

Yours sincerely,

Nebojsa Starcevic, Director

Meury