

Private airports seek easy overseas flying rules

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Their representative body APAO has battled for Vistara and AirAsia in its feedback on the revised route dispersal guidelines and 5/20 rule



Domestic airlines aspiring to start overseas operations but feeling restricted because of the government's policy on it have an unlikely ally – the private airports.

The Association of Private Airport Operators (APAO), in its feedback to the government on the revision of Route Dispersal Guidelines (RDG) and 5/20 rule – which currently permits only airlines with five years of experience and 20 aircraft to fly on international routes – has battled for a more "simplified" rule than the one the Ministry of Civil Aviation(MoCA) has come up with.

The MCA recently proposed to replace the existing 5/20 rule with domestic flying credit (DFC) rule, which would allow airlines to operate on overseas routes only after they log in specified flying credits for deploying flights to remote and unused airports.

The ministry has defined DFC as the capacity deployed by airlines as Available Seat Kilo Meter (ASKM) in regular scheduled operations multiplied by a factor devised for providing incentive for operating on remote area routes (See table).

The ministry has proposed that a new airline will become eligible for applying for international operations after deployment of 200 DFCs on domestic routes and on reaching 300 DFCs, it would be designated on long haul overseas routes of more than six hours. On logging 600 DFCs, the airline can seek permission for operating flights of less than six hours on foreign routes.

This is being seen by many as a minor setback for the Tata-Singapore joint venture Vistara and Tata-AirAsia alliance AirAsia India, which are keen to begin flying on foreign routes and the new rule may make them wait longer to do so.

The rule is supposed to be in favour of the incumbent airlines Jet Airways, IndiGo, SpiceJet and Air India as it will keep out competition on the already crowded international routes like the Gulf and other short haul destination.

The private airports, which are stakeholders in the local aviation sector, have given their views on the revised norms to the MCA through its representative body APAO, where it has said; "We, therefore, submit that the domestic Indian carrier's right to fly international should be simplified, and should be based on the airlines financial well-being, fleet strength, market demand and available bilateral rights".

In its letter to the ministry, APAO argues that a large part of the bilateral rights held by incumbent domestic carriers were unutilised and a friendly policy would help new carriers improve their utilisation.

Full-service airline Vistara, which began its domestic operations in January, feels the same way: "We have also proposed for a simplified process and less prescriptive rule to enable growth of the (aviation) sector," said the airline's spokesperson.

The APAO believes that allowing local airlines to fly directly to long and medium haul foreign destination from India would also help counter the unprecedented growth of Middle East (ME) hubs like Dubai, Abu Dhabi and Doha.

"Any mathematical calculation or formula based DFC would be detrimental to the increase in international footprints of Indian carriers, whether new or existing. Hence, for the development of selected metro airports as air hubs, it is recommended to avoid any DFC formula linkage with international flights of India carriers," said the note written by APAO secretary general Satyan Nayar to the MCA.

However, if the "DFC-linked execution" was "inevitable" then it has suggested the replacement of RPKM with ASKM for its calculation on Category II and Category II A routes. APAO has also asked for the limit of purchase of DFCs from other airline to be raised to 50% from the recommended 25%.

It has also opposed expansion of Category I routes and asked for a statue quo to be maintained on that for following through the ministry's vision of hub-spoke airports.