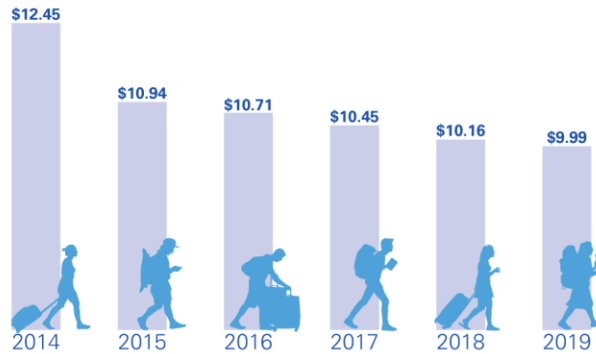


# MODERNIZING GLOBAL POLICY FRAMEWORKS ON AIRPORT CHARGES

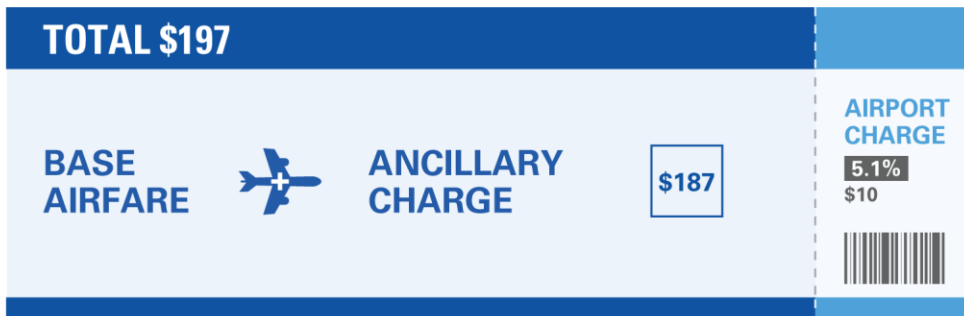
## Charges Have Fallen in Real (Inflation Adjusted US\$) Terms

Global airport charges per passenger have on average declined by approximately

**20%** in real terms in the 5 years up to 2019.



## Airport Charges are a Small Percent of Airfares (US\$)



## A Dramatically Evolved Aviation Industry

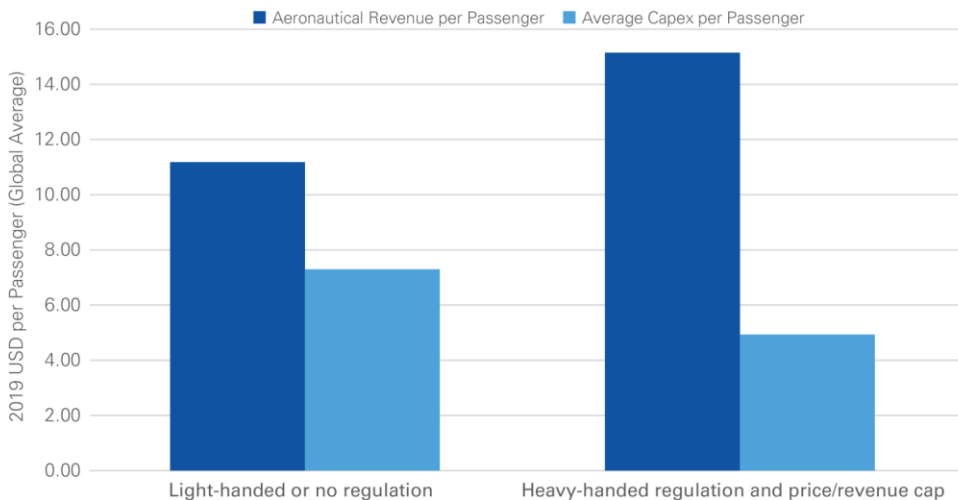
### AIRPORTS

- Commercialization and/or privatization
- Customer experience
- Increased competition
- Growth of non-aeronautical revenue
- Capacity shortfalls
- Innovations in charges (from only landing fees to landing/passenger fees)
- Unbundled and granular airport pricing
- Introduction of incentive pricing and commercial contracts
- Focus on mitigating noise and environment impacts

### AIRLINES

- Deregulation
- Privatization
- Antitrust immunized alliances
- Consolidation
- Increased customer orientation
- Aircraft technology
- Massive growth in fleets and capacity
- Innovative pricing (fares)
- Unbundling services and introducing ancillary charges

## Heavy-Handed Regulation Does Not Always Lead to Better Results



Policies on airport charges should ensure that they serve the best interests of the travelling public and local communities.