GOVERNMENT OF INDIA MINISTRY OF CIVIL AVIATION

Lok Sabha

UNSTARRED QUESTION NO.: 1054 (TO BE ANSWERED ON THE 8th February 2024)

ENHANCEMENT OF REGIONAL AIR CONNECTIVITY

1054. SHRI P.C. MOHAN Will the Minister of CIVIL AVIATION

be pleased to state:-

- (a) the initiatives undertaken by the Government to enhance regional air connectivity in different parts of the country;
- (b) the details of measures taken/being taken to attract more airlines to operate flights to underserved and unserved airports to promote greater accessibility for passengers;
- (c) the manner in which the Government ensures equitable development of airport infrastructure across various States, considering the varying demands and requirements of different regions; and
- (d) the progress of the Ude Desh ka Aam Nagrik (UDAN) scheme and its impact on promoting regional air travel and tourism?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION (GEN. (DR) V. K. SINGH (RETD))

- (a): Ministry of Civil Aviation (MoCA) has launched Regional Connectivity Scheme (RCS) UDAN (Ude Desh ka Aam Nagrik) on 21.10.2016 to enhance regional air connectivity from unserved and underserved airports in the country and make air travel affordable to the masses. UDAN is a market driven scheme. Interested airlines, based on their assessment of demand on particular routes, submit their proposals at the time of bidding under UDAN.
- (b): With a view to attract airlines to operate flights to underserved and unserved airports, support is provided in the form of Viability Gap Funding (VGF) and also other concessions by the airport operators, Central Government and State Governments, which are as under:;

Airport operators:

- i) Airport operators not to levy Landing and Parking Charges on RCS Flights.
- ii) AAI not to levy any Terminal Navigation Landing Charges (TNLC) on RCS Flights.
- iii) Route Navigation and Facilitation Charges (RNFC) to be levied by AAI on a discounted basis @ 42.50%
- of Normal Rates on RCS Flights.
- iv) Selected Airline operators (SAO) allowed self-ground handling for operations under the Scheme at all airports.

Central Government:

i) Excise Duty at the rate of 2% to be levied on Aviation Turbine Fuel (ATF) purchased by SAOs from RCS

Airports for initial period of three years from the date of notification of this scheme.

ii) SAOs to have the freedom to enter into code sharing arrangements with both domestic as well as international airlines.;

States Governments:

- i) reduce VAT to 1% or less on ATF at RCS Airports located within the states for a period of 10 years.
- ii) provide minimum land, if required, free of cost and free from encumbrances for development of RCS

Airports and provide multi-modal hinterland connectivity as required.

- iii) provide security and fire services free of cost at RCS Airports.
- iv) providing or cause to be provided, electricity, water and other utility services at substantially concessional rates at RCS Airports.
- v) provide a certain share (20% for States other than North-Eastern States and 10% for States North-Eastern States) of determined VGF.
- (c): UDAN is a demand-driven scheme, wherein airline operators assess the feasibility of operation on a particular route and submit bids under the scheme from time to time. An airport which is included in the awarded routes of UDAN and requires upgradation/development for commencement of UDAN operations, is developed under the 'Revival of unserved and underserved airports' scheme. On the basis of five rounds of biddings, 76 airports, including 2 water aerodromes and 9 Helipads in different regions of the country, have been developed and operationalised by RCS flights. The RCS

scheme also mandates Regional Connectivity Fund allocation to regions in a manner that promotes balanced growth / regional connectivity in different parts of the country.

(d): 519 routes have been operationalised since inception of the RCS- UDAN Scheme. The routes include, 53 tourism routes and 48 helicopter routes connecting hilly regions of the nation;

More than 133.86 lakh passengers have benefited from the UDAN flights.

2.56 lakh flights have operated under the UDAN scheme so far.

The UDAN scheme has encouraged procurement of different type of aircraft in the country. Presently, 3 seater Tecnam, 9 seater Cessna 208B, 19 seater Twin Otter, 50 seater Embraer 145, 42/72/78 seater ATR and Q-400 as well as bigger aircraft like 189 seater Airbus 320/321and B737 are in operation for UDAN flights.

13 Airlines have commenced operations under UDAN, including start-ups. UDAN scheme has been the cradle for birth of new Airlines like Air Taxi, IndiaOne, Star Air, FlyBig and Fly91.

UDAN has become a game changer for many airports by triggering air connectivity and regional growth.
