

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 891
(To be answered on the 21st July 2016)**

NEW CIVIL AVIATION POLICY

**891. SHRI HARI OM PANDAY
SHRI R. GOPALAKRISHNAN
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SHRI PRABHAKAR REDDY KOTHA
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DR. C. GOPALAKRISHNAN
SHRI MALLIKARJUN KHARGE
SHRI SUMEDHANAND SARASWATI
SHRIMATI SANTOSH AHLAWAT**

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) the aims and objectives, areas covered and other salient features of recently unveiled new civil aviation policy and the manner in which it is likely to be implemented;**
- (b) the reaction of various airlines and States on the new policy and the details of consultations made before approval of new policy with various stakeholders;**
- (c) whether under the new aviation policy, States are expected to provide concession under various item heads, if so, the details thereof;**
- (d) the names of airports likely to be renovated/upgraded under the new aviation policy;**
- (e) whether the Government proposes to use small airports and unutilized airstrips to provide regional air connectivity, if so, the details thereof;**
- (f) whether the Government has any proposal for skill-development programme in the North Eastern Region which is tertiary to the policy framework being planned for the civil aviation sector, if so, the details thereof; and**
- (g) whether the International Air Transport Association has felt that the recently announced National Civil Aviation Policy may lead to increase in airfares and if so, the reaction of the Government in this regard?**

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

(Shri Jayant Sinha)

(a) to (c) The Government has released the National Civil Aviation Policy (NCAP) 2016 on 15.06.2016. The broad aims and objective, area covered and other salient features of NCAP 2016 is attached at Annexure A.

(d): The selection of airports for development under Regional Connectivity Scheme (RCS) will be demand driven.

(e): The RCS will inter-alia be implemented by way of revival of unserved/underserved airports/ routes.

(f): No specific skill development programme is taken up for North Eastern Region under Corporate Social Responsibilities (CSR). However, as part of the CSR initiatives, AAI has entered into an agreement with National Skill Development Fund (NSDF) and National Skill Development Corporation (NSDC) for aviation related skill training programme on pan India basis.

(g): No such information is received in this Ministry.

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National Civil Aviation Policy 2016

Annexure-A

Aims and objective

- i) Establish an integrated eco-system which will lead to significant growth of civil aviation sector, which in turn would promote tourism, increase employment and lead to a balanced regional growth.
- ii) Ensure safety, security and sustainability of aviation sector through the use of technology and effective monitoring.
- iii) Enhance regional connectivity through fiscal support and infrastructure development.
- iv) Enhance ease of doing business through deregulation, simplified procedures and e-governance.
- v) Promote the entire aviation sector chain in a harmonized manner covering cargo, MRO, general aviation, aerospace manufacturing and skill development.

Policy areas

NCAP 2016 covers the following policy areas:

- a) Regional connectivity
- b) Safety
- c) Air Transport Operations
- d) Route Dispersal Guidelines
- e) 5/20 Requirement for International Operations
- f) Bilateral traffic rights
- g) Code-share agreements
- h) Fiscal Support
- i) Airports developed by State Govt., Private sector or in PPP mode
- j) Airports Authority of India
- k) Air Navigation Services
- l) Aviation security, Immigration and Customs
- m) Helicopters
- n) Charters
- o) Maintenance, Repair and Overhaul
- p) Ground Handling
- q) Air-Cargo
- r) Aeronautical 'Make in India'
- s) Aviation Education and Skill development
- t) Sustainable Aviation
- u) Essential Service Maintenance Act, 1968

Salient Features

Systems and processes which affect civil aviation sector needs to be simplified and made more transparent with greater use of technology without compromising on safety and security. The growth in aviation will create a large multiplier effect in terms of investments, tourism and employment generation, especially for unskilled and semi-skilled worker. The National Civil Aviation Policy (NCAP 2016) is a step in that direction.

Introduction of Regional connectivity in the policy will give impetus to the growth of Civil Aviation. Changes in 5/20 rule for international operations is another important feature.

Concessions by State Government.

1. State Govt. will provide land free of cost and free from all encumbrances and also provide multi modal hinterland connectivity(Road,Rail,Metro,Water ways etc.)
2. Reduce Vat on aviation turbine fuel (ATF) to 1% or less.
3. Provide Police and Fire Services free of cost. Power water and other utilities will be provided at substantially concessional rates.
4. Excise duty on ATF @2%.
5. VGF will be shared between MoCA and State Government in the ratio 80:20 (90:10 for north eastern states).

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