



Route incentive discount and marketing support (incl. RDF)

Updated with effect from 01. November 2023

The Avinor Group (Avinor) may participate financially as follows:

- Start-up discounts to new routes
- Direct grants to finance marketing activities.
- Assistance in establishing Route Development Funds (RDF)

The purpose of financial participation is to reduce risk related to starting up new routes, to contribute to better financial results for Avinor, and improve the service to travelers.

Every application for financial support from Avinor will be evaluated on a stand-alone basis according to the criteria formulated below. Equal treatment of similar cases and the profitability for Avinor will be key issues when evaluating an application. Nobody can make a legal claim for support.

Start-up discount

Discounts can be given to airlines to promote new direct routes from an Avinor airport to destinations abroad.

Terms and conditions for international routes:

1) There must be a new direct route. By "new direct route" means a route between two destinations (determined by IATA city pair) where there at the time of initiation, is not already a route.

There should have been no scheduled traffic on the route during the last 12 months. Only routes meeting criteria in 2) and 3) below are taken into considerations when determining whether a destination is serviced or not.

2) The route must operate with a minimum of 12 consecutive flights for a minimum of 12 consecutive weeks.

3) The incentive scheme only applies to scheduled commercial flights, made available to public against payment.

Terms and conditions for intercontinental routes:

1) For intercontinental routes, "new direct route" refers to a route with a minimum of 12 annual departures from an Avinor airport to an intercontinental destination (determined by IATA city pair) where no other airline operates 12 annual departures or more.

Maximum discounts are given in the table below. "Intercontinental route" refers to a route to/from destinations outside Europe involving a flight time of minimum 6 hours each way to/from Oslo Airport, Gardermoen (also applicable to routes from other Avinor airports). Avinor uses standard geographic definitions for the borders of Europe with the addition that Turkey and islands belonging to countries in Europe (i.e. the Canaries and Madeira) belong to Europe.

Route type	Discounts	Year 1	Year 2	Year 3	Year 4	Year 5
<i>Intercontinental</i>	Take-off charge	100 %	90 %	80 %	40 %	20 %
	Passenger charge	90 %	70 %	50 %	30 %	20 %
<i>Europe</i>	Take-off charge	100 %	75 %	50 %		
	Passenger charge	90 %	60 %	30 %		

1. Marketing assistance

The aim is to participate in connection with the start-up of new routes or other extraordinary activities at the airport. The direct marketing support will only be given once to the same activity and can only be used on external project costs (not including use of internal personnel or resources). The amount of marketing support will be calculated and considered based on expected effect on Avinors results. The marketing activities must be part of a marketing plan for the new route and must show a profitability in long term for both for the applicant and for Avinor.

2. Route Development Fund (RDF)

The purpose of setting up locally based RDFs is to increase the number of visitors from abroad to the region. Avinor is participating in order to ensure an increase in passengers, and to mitigate the airlines' risk related to starting up new routes.

Avinor may contribute together with other organizations in setting up local RDFs.

The support is granted in the establishment phase of the RDF. The assistance can be made in the form of personnel from Avinor taking part in the planning and the setting up of the RDF. In addition, Avinor may accept applications for direct grants of up to 50% of the direct costs related to the above-mentioned phase. The direct grants from Avinor cannot finance any of the direct expenses of the other participants.

A written application for assistance must be made available before the project has been started. The written application shall include a plan for the establishment and operation of the RDF confirming that the project is profitable. Furthermore, the application must illustrate how the project will contribute to the development of the tourism industry in the region. The application must include an overview of the capital needed to run the project, and suggestion as to how it should be financed.

The profitability of the project for Avinor will be key when considering whether, and how much, Avinor will contribute.

General terms and conditions:

No discount will be given to night operations (24:00-06:00).

If several airlines establish equivalent routes during a discount period, they may receive the same discounts as the airline that originally established the route. Restrictions of benefit may apply to airlines that have received start-up aid for a route which has consequently been closed down. Avinor may refuse to grant discounts to airlines with a poor payment history, and/or lack of required bank guarantees.

Airlines are responsible for writing and sending an application for route incentive discounts, the application must be sent before the route has been initiated.

Avinor reserve the right to refuse startup aid for projects that are considered as movement of traffic between Avinor airports. If such a project is already granted startup support, Avinor reserves the right to stop and / or claim reimbursed support.

A written application for route incentive discount and marketing support must be send to Avinor prior to the project or route is started, to qualify for the incentive scheme.



If other airlines initiate service on a route at a time where an airline is already granted a route incentive discount in accordance with any previously applicable route incentive, such other airlines shall contact the relevant key account manager to receive an offer on route incentive discount in accordance with the previously applicable route incentive scheme.

Procedure:

An airline wishing to obtain Route Incentive Discount must enter into an agreement with Avinor prior to initiation of service on the route.

The airline must contact Avinor and submit a written application containing the following information:

- Name and address of the airline
- Contact information for the relevant contact person with the airline.
- IATA City Code for the destination airport.
- The desired date for initiation of service on the route.
- The aircraft type to be used in servicing the route, its MTOW, and its seat capacity.
- Estimated load factor and estimated split by transfer and locally departing passengers.
- Weekly number of departures and number of departures per season on the route.
- Desired Avinor arrival and departure time – to be finally confirmed upon slot granted from ACN.
- If applying for marketing support – a marketing plan must be provided.

Contact

Questions can be addressed to:

Monika Odden

Phone: +47 948 87 960

E-mail: monika.odden@avinor.no

AVINOR