Government of Pakistan

NATIONAL AVIATION POLICY 2023

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PREAMBLE

Aviation plays a pivotal role in the growth of trade, tourism, and economy. The equivalent of more than half the world's population (4.5 billion scheduled passengers) travelled on 46.8 million flights in 2019. Covid-19 pandemic had a devastating impact on aviation industry. The number of scheduled passengers dropped drastically to 1.8 billion (approx.) in 2020 causing severe financial crisis for most of the aviation stakeholders. There has been a steady recovery since. In 2022, the estimated number of scheduled passengers boarded by the global air transport industry crossed 3.7 billion.

Air transport is central to world tourism and trade. Tourists traveling internationally by air are estimated to have spent about US $ 900 billion in 2019. More and cheaper city-pair connections and the lower cost of air travel also boosts trade in goods and services. Air transport accounts for only a small proportion, less than 1%, of global trade by volume but for a much larger share by value, at about 35%. In 2019, the value of goods carried by air is estimated to have been slightly above US $ 6.7 trillion.

Before Covid–19 pandemic, airport and airspace capacity ~~had already~~ saturated. In the post-Covid-19 period, the growth is expected to catch up rapidly and again cause constraints at airports and within airspace. This will pose challenges in terms of aviation safety, security, passenger handling, efficiency, and environment. Pakistan will face the same challenges as the rest of the world. Therefore, it stands to reason that Pakistan crafts response to challenges through policy measures by the Federal Government to help revive the aviation sector.

Review of the National Aviation Policy was necessitated to further rationalize the stipulations to strengthen the aviation sector in line with the Federal Government's intent. This policy framework aims at reinforcing regulatory mechanism of aviation safety and security oversight, aviation infrastructure development and improvement in service delivery.

Keeping in view the fast-changing technology of aviation industry, training and skill development of personnel will be assigned high priority. The entire value chain of the aviation sector, including regulatory body, operators and allied industry stakeholders will be synchronized for the growth of safe and efficient air travel.

Vision

"Safe, secure, efficient and sustainable aviation sector in Pakistan, conducive to development of passenger and cargo air transport and ancillary services, in line with ICAO Standards."

Key Objectives

- To facilitate trade and investment through establishment of competitive market, contributing to national economy.
- To foster growth in passenger and cargo air transport services in Pakistan leading to enhancement of public convenience.
- To provide regulation and oversight in accordance with ICAO standards of aviation safety, security, efficiency, climate change and facilitation.
- To facilitate all national operators to grow and compete successfully in both domestic and international markets; and to incentivize growth in the aviation sector.
- To promote and incentivize development of aviation infrastructure including airports, air navigation services, training facilities, aircraft maintenance facilities and aircraft design and manufacturing.
- To create conditions conducive to growth in general aviation activities including sports flying, private aircraft and air-taxi service.

Chapter 1 – Safety, Security and Regulatory Oversight

Pakistan Civil Aviation Authority (PCAA) under the Director General Civil Aviation Authority (DGCAA) shall exercise the regulatory authority to ensure safe, secure, efficient, sustainable and facilitating aviation sector. The Federal Government through Secretary, Federal Ministry of Aviation, shall exercise administrative oversight as per the Pakistan Civil Aviation Act, 2023.

PCAA shall perform regulatory oversight of aviation sector in Pakistan at par with ICAO Standards and Recommended Practices (SARPs).

1.1 Safety

Pakistan Civil Aviation Authority (PCAA) will continue to implement and improve the State Safety Program (SSP) and Safety Management System (SMS) as per ICAO standards. PCAA will ensure that relevant service providers implement the Safety Management Systems (SMS), proactively identify safety hazards and apply risk management principles for mitigation and elimination of associated risks. The state safety database developed for the identification of hazards and assessment of safety risks will continue to be improved. National Aviation Safety Plan (NASP) has been developed and aligned with ICAO Global Aviation Safety Plan (GASP).

Focus shall remain on High-Risk Category events like Runway Safety (RI & RE), Controlled Flight into Terrain (CFIT), Loss of Control in Flight (LOC-I), Mid-Air Collisions (TCAS RA) and Ramp Safety. Special attention will be given to Safety Oversight Inspectors, Air Traffic Controllers and Flight Crew training and Personnel licensing, enhancement of language proficiency of Pilots and Controllers, Aerodrome certifications, Dangerous Goods Regulation, continuing Airworthiness, Threat & Error Management (TEM) and Human factors.

1.1.1 Continuous Monitoring Approach

Pakistan is following the Continuous Monitoring Approach stipulated in ICAO Doc. 9735 and other relevant ICAO documents for safety audits published from time to time.

1.1.2 Aircraft Accident Investigation Board (AAIB)

AAIB shall carry out investigations pertaining to aircraft incidents and accidents involving any civil aircraft operating in Pakistan. If a Pakistan-registered aircraft encounters any incident or accident outside Pakistan, it may also be investigated by AAIB, on the authorization of the Ministry of Aviation, if requested by the state where the incident or accident has occurred. The investigations will be completed within a specific time-frame. Findings and recommendations of AAIB shall be shared with all stakeholders to help adopt a proactive approach to avoid future recurrence; implementation of these recommendations will be reviewed periodically by the Ministry of Aviation.

1.1.3 Compliance

PCAA shall ensure continued compliance with ICAO programs and implementation of policy, programs, systems, processes and procedures through publication of regulations and enhancement of aviation legislative framework.

1.2 Security

PCAA shall be the Aviation Security Regulator and shall conduct audits, tests, surveys and inspections on a regular basis to verify compliance with the National Civil Aviation Security Program (NCASP) and National Civil Aviation Quality Control Program (NCAQCP). As a

service provider, Airport Security Force (ASF) shall ensure security of all airports and allied infrastructure as per ASF Act, 1975.

Existing aviation security mechanism at airports shall be strengthened by introducing state-of-the-art technology and security equipment.

For efficient aviation security management at airports, coordination will be improved amongst PCAA, ASF, Joint-Users at Joint User Air-fields, local military authorities, paramilitary forces, intelligence agencies and local police as per the Airports Security Policy. For security of Joint User Airfields, a joint committee would be formulated to clearly define the areas of responsibility and joint mechanisms for handling contingencies together with other stakeholders.

Airport security would also be made more effective and efficient through capacity-building of PCAA Aviation Security and ASF. Special training modules for all type of threats and emergencies shall be developed for ASF.

ICAO facilitation standards related to Travelers Identification Program (TRIP), Machine Readable Travel Documents (MRTDs) and biometrics shall be implemented.

Federal Government in consultation with Provincial or State Governments will formulate appropriate mechanism to empower PCAA to regulate all land use activities outside the airport perimeter up to a distance of 100 meters to address security and safety concerns.

PCAA shall create a framework for ensuring cyber security in civil aviation through suitable policy guidelines.

1.3 Bifurcation of Regulatory & Service Provider Roles

In line with ICAO requirements, the role of PCAA as a regulator shall be made independent of service provision with financial and administrative autonomy.

PCAA's operational segregation into Regulatory Authority and Airports Authority has already been achieved. The organizational structure shall be administratively segregated in accordance with corresponding Act of Parliament.

1.4 Aviation Oversight Committee

The Aviation Oversight Committee, comprised of one member from each RPT operator, two members representing Charter operators, two members representing TPRI operators, two members representing Aerial Work operators, two members representing Flying Schools, one member representing Private Airport(s) and one member representing Aircraft Design and Manufacturing Organizations, shall meet at least once a year under the chairmanship of Secretary, Federal Ministry of Aviation. The committee shall discuss and address related concerns of the stakeholders.

1.5 Economic Oversight

Economic Oversight is an essential requirement of the aviation sector and is recommended by ICAO. The main purpose of Economic Oversight shall be as follows:

1. Minimize the risk of Airports Services (APS) and Air Navigation Services (ANS) Providers engaging in anti-competitive practices or abusing any dominant position they may have.
2. Ensure non-discrimination and transparency in the application of charges.

3. Ascertain that investments in capacity meet current and future demands in a cost-effective manner.
4. Protect and facilitate the interests of passengers and other end-users.

1.5.1 Guidelines for Aeronautical Charges

The following shall be the guidelines for implementation of Economic Oversight to safeguard end-users in conjunction with above paragraph:

1. PCAA as a regulator shall ensure transparent Economic Oversight for the protection of aviation consumers as per the fundamental principles as given in ICAO Doc. 9082.
2. There shall be no discrimination in application of Aeronautical Charges.
3. ICAO Doc. 9082, Doc. 9562 & Doc. 9161 shall be the guideline for the application and revision of Aeronautical charges.
4. To overcome infrastructure and operational constraints variable Aeronautical charges based on peak and off-peak period may be applied.
5. The revision of Aeronautical Charges shall be carried out by Pakistan Airports Authority as per ICAO recommendations, as required from time to time.
6. PCAA shall ensure that there is no overcharging and abuse of dominant position.
7. PCAA shall provide required human resource and capacity building for Economic Oversight.

1.6 Consumer Protection

PCAA shall develop and implement regulations as per ICAO recommendations to protect the rights of consumers. International and national operators shall develop procedures for air passenger handling and facilitation in line with ICAO requirements; non-conformance may result in penal action by PCAA.

1.6.1 Guidelines for Air Passenger Rights

The following guidelines shall be used to safeguard Air-Passenger Rights:

1. For protection of air passenger rights PCAA will develop regulations to monitor On Time Performance (OTP) and institute measures and penalties for non-conformance. DGCAA shall have the power to relax or waive any penalties.
2. PCAA through regulation shall provide the air passengers with rights in the event of flight cancellations and flight delays.
3. Air service operators and airports shall be required to submit data on a monthly basis, similar to Air Travel Consumer Report (ATCR) in the United States of America. Delays, lost baggage record, customer complaints, cancellation of flights and other data as required by PCAA shall be provided online for information of consumers.
4. PCAA shall ensure that all air service operators develop and implement procedures on handling of physically challenged persons.
5. PCAA shall intervene in cases where there is reasonable ground to presume that a case of predatory pricing or collusion exists.
6. PCAA in collaboration with Competition Commission of Pakistan (CCP) shall develop capacity and procedures to identify and counter anti-competitive practices.
7. Airfares are determined through market forces of supply and demand; however, PCAA may adopt measures to protect consumers from exploitation by placing limits on domestic fares in case of cartelization, collusion or other unfair practices.
8. PCAA will develop capacity and effective mechanisms for rational and balanced tariffs by air service operators. This mechanism for tariff oversight will take into account air service operators' business considerations and other inputs.

9. PCAA shall make rules, regulations, and procedures to redress public grievances and adjudicate these on merit.

1.7 ICAO Cell

PCAA ICAO Cell will be the State Letter Focal Point (SLFP) to ensure compliance with ICAO Conventions, Annexes, Recommendations and other relevant correspondence from time to time.

1.8 Incentives for Aviation Sector

Excessive taxation is preventing growth in the aviation sector in Pakistan. Additionally, Aeronautical and Non-Aeronautical Charges levied by PCAA need to be rationalized to encourage growth.

1.8.1 PCAA Charges

1. Aeronautical Charges would be rationalized in line with ICAO guidelines to recover cost of essential services being rendered to air service operators and passengers at airports and within the airspace. Additionally, Aeronautical Charges for domestic operations shall be in Pak-Rupee (PKR).
2. Non-Aeronautical Charges levied to suppliers of air transport services will be kept rationalized in accordance with market conditions.
3. Parking charges for non-operational, life-expired or salvaged aircraft shall not be levied from the time of their declaration under such category by the operator or owner with an undertaking that said aircraft will be disposed-of within six (6) months.
4. An aircraft whose operator or owner is not traceable or is not responding to notices being served by the Authority or the owner or operator has gone bankrupt and closed, shall be deemed to be an abandoned aircraft after a lapse of six (6) months parking period. Additionally, aircraft which have not been declared non-operational, salvaged and/or have not been claimed by any owner or operator will also be treated as abandoned aircraft after a lapse of six (6) months parking period. An abandoned aircraft will be disposed-off to recover dues, in accordance with regulations developed by PAA. In case the aircraft is parked at private airport or aerodrome, PAA shall have the right to dispose of such aircraft for recovery of PAA and Private Airport dues.

1.8.2 Duties and Taxes

Federal Government shall consider grant of Industry status to Pakistan's aviation sector, and endeavor to provide reduced taxation regime to attract investment in the sector that includes air service, airports, infrastructure development, flight catering services, aircraft manufacturing industry, maintenance and repair organizations, ground support equipment, and import of aircraft including aircraft engines, spare parts and supplies of all specifications.

Ministry of Aviation, with consultation of industry stakeholders will formulate concrete proposals for reduction in taxes and duties for consideration by Ministry of Finance.

1.9 Human Resource Development

To meet future needs of Pakistan's aviation industry, a well-trained and skilled human resource shall be developed through aviation institutions in public and private sectors.

Civil Aviation Training Institute (CATI) will be developed into a world-class training center for the training needs of PCAA & PAA officials and the global aviation community.

Capacity-building of PCAA officials will be enhanced through training programs funded through a dedicated provision in the PCAA budget. DGCAA would be empowered to grant approval of trainings of regulatory functionaries under the said budget.

Academic Institutes will be encouraged in a participatory manner to conduct Research and Development (R&D) in aviation related subjects. Aviation clusters and Aerospace research parks will be established through allocation of requisite resources and patronage by the Government of Pakistan.

In line with ICAO's Gender Equality Programme, aviation stakeholders would be encouraged to promote participation of women in aviation activities to achieve gender parity.

1.10 Green Aviation Environment

Aviation impacts environment in terms of noise pollution and carbon (CO_2) emissions. At present, aviation carbon emissions contribute approximately 2% of Global Green House Emissions. Different long-term and short-term initiatives have been taken by the industry to reduce the impact of aviation carbon emissions on the environment. The policy also supports ICAO's strategic objective i.e., Environmental Protection, wherein a basket of measures would be followed in the domain of technological, operational and infrastructure improvements, harnessing Sustainable Aviation Fuel (SAF) and applying Global Market-Based Measures (GMBMs). ICAO's strategic objectives are linked to fifteen (15) out of the seventeen (17) United Nation's Sustainable Development Goals and Goal 13 "Climate Action" is directly linked with aviation environment.

The Federal Government and the aviation sector shall work together for a number of environmentally beneficial or "green" aviation initiatives described as under:

1. PCAA shall develop capacity as per ICAO guidelines to regulate the aviation industry to minimize adverse impact of aviation-related CO_2 and other harmful emissions and noise pollution.
2. Quieter and fuel-efficient aircraft shall be inducted as per specification stipulated in the relevant regulations/ANOs and age limit of aircraft induction shall be enforced as specified in Para 3.1.8.
3. The prospects for substitution of existing fuels with alternatives such as bio-fuels and SAF shall be pursued.
4. Low carbon modes of transportation to access airports shall be promoted.
5. Water treatment and solid waste recycling plants shall be developed at airports and commercial ventures in the vicinity of airport shall also be required to ensure treatment of water and solid waste management.
6. Solar, wind power and rain water shall be harnessed for airports in an effort to generate at least 5% of the requirement.
7. Landscaping and green belt cultivation shall be encouraged.
8. Paper-less aviation environment shall be encouraged and implemented.
9. Coordination between civil and military aviation authorities with respect to Flexible Use of Airspace (FUA) shall be enhanced to shorten ATS routes and optimize flight profiles in terminal areas.
10. Performance Based Navigation (PBN) procedures will be implemented en-route and in terminal areas.

Chapter 2 – Air Traffic Rights

2.1 Air Traffic Rights

Air Traffic Rights have their origin in the Chicago Convention 1944. Pakistan has Air Services Agreements (ASAs) with 98 countries, covering aspects relating to the number of frequencies, seats, landing points and code-share. Utilization of Air Traffic Rights at any time differs from country to country and is subject to periodic re-negotiation. In this regard, the policy will be as follows:

2.1.1 Air Services Agreements

1. Pakistan will endeavor to enhance air transport services on the principle of reciprocity with due regard to market factors and interests of Pakistani air service operators.
2. In situations where there is no interest by Pakistani air service operators for review of ASAs or corresponding operational framework, such review will be considered only when:
   a. There is no direct air link with a State and review of an operational framework may facilitate direct air connectivity.
   b. The designated air service operators of the other State have fully utilized all available traffic rights and no enhancement has been made in the last 03 years or enhancement is warranted by market growth indicators.
   c. Establishment of air connectivity between un-served city-pairs.
   d. Provision or facilitation of air connectivity with a region currently not connected by air with Pakistan.
   e. Enhancement of the traffic rights may increase air service options and provide enhanced competition.
3. Measures would be in place to mitigate detrimental effects of any capacity dumping.

2.1.2 Guidelines for Temporary Operating Permit (T.O.P)

Temporary Operations Permit (T.O.P.) authorization may be granted to designated air service provider upon request from a bilateral Partner. However, any such authorization may be granted:

1. When such authorization is requested by a Bilateral Partner and the route is un-served.
2. When such authorization may prevent an air service provider from suspending operations on a route.
3. When such authorization is deemed favorable for socio-economic welfare of the region concerned.

In no case shall T.O.P. authorization be granted for a period exceeding four (4) Scheduling Periods and will be subject to regularization between the Aeronautical Authorities within such time.

Eligibility of any request for T.O.P. will be determined by Ministry of Aviation in consultation with PCAA.

2.1.3 All Cargo Traffic Rights

Pakistan shall pursue a unilateral open skies policy for a time frame of two (2) years for all cargo air services based on third, fourth and fifth freedom traffic rights to/from Pakistan to boost air cargo operations and facilitate trade movement to/from Pakistani airports. Such policy shall initially be adopted on a regional basis and its scope thereof shall be enhanced upon analysis and accumulation of related benefits to our aviation industry. Co-terminal

rights in the territory of Pakistan shall also be considered for all cargo air services and for air service operating from destinations not served by national air service operators.

Chapter 3 – Guidelines for Air Service Operators

Air service operators serve as the backbone of the aviation of any country. PCAA shall regulate Air service operations through grant of Air Service Licenses to achieve safe, secure and sustainable growth of aviation sector.

Air services shall be operated under the following Air Service Licenses issued under the provisions of Pakistan Civil Aviation Act, 2023:

1. Regular Public Transport.
2. Tourism Promotion & Regional Integration.
3. Charter.
4. Aerial Work.
5. Flying School.
6. Ground School.
7. Private Air Operations.
8. Recreational Activities.

The grant, renewal, variation, suspension and revocation of these licenses will be governed by the following General and License Conditions:

3.1 General Conditions for Air Service Licenses

3.1.1 Licensing Authority and Validity

1. The Licensing Authority for grant, renewal or variation of Air Service Licenses shall be in accordance with First Schedule of Pakistan Civil Aviation Act, 2023, as tabulated below.

S. #	License	Class or Category	Grant	Renewal	Variation Suspension Revocation
1	Regular Public Transport (RPT) Domestic	Passengers and Cargo	Minister for Aviation	Minister for Aviation	Minister for Aviation
2	Tourism Promotion and Regional Integration (TPRI)	Passengers and Cargo	Minister for Aviation	Minister for Aviation	Minister for Aviation
3	Charter International and Domestic	Class-II	Minister for Aviation	Minister for Aviation	Minister for Aviation
4	Charter Domestic	Class-II	DGCAA	DGCAA	DGCAA
5	Charter International and Domestic	Class-I	DGCAA	DGCAA	DGCAA
6	Charter Domestic	Class-I	DGCAA	DGCAA	DGCAA
7	Aerial Work International and Domestic	Class-II	DGCAA	DGCAA	DGCAA
8	Aerial Work Domestic	Class-II	DGCAA	DGCAA	DGCAA
9	Aerial Work International and Domestic	Class-I	DGCAA	DGCAA	DGCAA
10	Aerial Work Domestic	Class-I	DGCAA	DGCAA	DGCAA
11	Flying School	Class-II	DGCAA	DGCAA	DGCAA
12	Flying School	Class-I	DGCAA	DGCAA	DGCAA
13	Ground School	N/A	DGCAA	DGCAA	DGCAA
14	Private Air Operation Domestic	Class-I	DGCAA	DGCAA	DGCAA
15	Private Air Operation	Class-I	DGCAA	DGCAA	DGCAA

	International and Domestic				
16	Private Air Operation International and Domestic	Class-II	DGCAA	DGCAA	DGCAA
17	Recreational Activities		DGCAA	DGCAA	DGCAA

2. Validity of Air Service Licenses shall be in accordance with the Section 65 of Pakistan Civil Aviation Act, 2023.
3. Suspension or revocation of Air Service Licenses shall be in accordance with Section 68 of Pakistan Civil Aviation Act, 2023. Requirements for Air Service license with Air Operator Certificate or any other certificate as applicable shall be specified by PCAA.
4. Air Operator Certificate (AOC) or any other certificate, where applicable, shall be valid for a maximum period of one (1) year. DGCAA shall be the Competent Authority for grant, renewal, extension, suspension or cancellation of AOC. AOC issuance or renewal shall be subject to all existing or new annual evaluations and inspections for strict compliance with mandatory requirements.

3.1.2 Financial Requirements for Air Service Licenses

1. Following shall be the minimum paid-up capital and security deposit for Air Service Licenses:

S. #	License	Class or Category	Paid-Up Capital (PKR)	Initial Cash Security Deposit (PKR)
1.	**Regular Public Transport (RPT)**	Passengers and Cargo	300 million at the time of application; built up to 600 million before issuance of license	100 million
2.	**Tourism Promotion & Regional Integration (TPRI)**	Passengers and Cargo	50 million	10 million
3.	**Charter**	Class-II	100 million	20 million
4.	**Charter**	Class-I	50 million	10 million
5.	**Aerial Work**	Class-II	50 million	10 million
6.	**Aerial Work**	Class-I	20 million	10 million
7.	**Flying School**	Class-II	20 million	10 million
8.	**Flying School**	Class-I	10 million	3 million
9.	**Ground School**	N/A	2 million	1 million
10.	**Private Air Operations**	Class-II	N/A	10 million
11.	**Private Air Operations**	Class-I	N/A	5 million

2. Licensees shall meet the applicable loss-free paid-up capital and security deposit limits for each air service license. It shall include only issued, subscribed and paid-up capital and adjustment of accumulated profit or loss duly verified by the Registered Chartered Accountant Firm.
3. Owner's equity (net worth) shall not be negative. Minimum equity (net worth) to assets ratio should be at least 5%.
4. Existing air service operators will be allowed a time-period of two (2) years from date of implementation of this policy, to align with enhanced requirements.

5. An air service operator with higher category license, within same type of operations, namely, RPT, Charter, Aerial Work or Flying School, will not be required to fulfill loss-free paid-up capital requirements in addition to the same higher category license.
6. Submission of Audited Financial Statements and other relevant documents as required by Authority will be mandatory within 120 days of completion of every financial year.
7. To resolve the non-conformance with financial parameters spelled out at Para 2 and 3 above, arising as a result of implementation of IFRS-16, PCAA shall constitute a committee with participation of industry stakeholders. The committee shall propose appropriate parameters. Until appropriate parameters are developed, the licensing authority may relax the stated conditions for air service operators.

3.1.3 Grant of Air Service Licenses

1. PCAA for evaluation of an air services license application shall take following aspects into consideration:
2. Registration with SECP as private or public company limited by shares.
3. Majority shareholding, voting rights and effective control in the company shall be held by Pakistani Nationals. Foreign Direct Investment shall not exceed 49% of shareholding.
4. Sufficient managerial competence and business experience of key personnel to operate an air transport business and aviation experience of management team, as a whole, for the specific kind of operations proposed.
5. Assessment of the applicant's operating plan and feasibility report to determine whether it has a reasonable understanding of the costs of starting and maintaining operations.
6. Provide a statement on oath and affirmation that the owners and managers do not have any history of safety violations or consumer fraud activities.
7. PCAA shall ensure grant of license within 30 days after approval by the Licensing Authority subject to completion of all mandatory requirements and submission of security deposit.
8. If an air service licensee fails to obtain AOC within a maximum of three years' time-frame from the date of grant of respective license with no quantifiable efforts, the license shall stand cancelled.
9. In cases where the DGCAA is satisfied that the licensee has provided quantifiable evidence for meeting AOC requirements, the DGCAA may allow one time extension of one year for obtaining AOC.
10. All Air Operator Certificate (AOC) or Private Operator Certificate (POC) holders shall be required to arrange for insurance coverage as required in Civil Aviation Rules from a local Pakistani insurance company having sound financial strength. The comprehensive insurance policy should cover aircraft, crew, passenger, cargo and third-party risks. Compliance of insurance requirements is to be ensured at the time of issuance or renewal of AOC, POC, or AC. Insurance requirements as per ICAO Conventions would be incorporated in national legislation.

3.1.4 Renewal and Variation of Air Service Licenses

1. The air services licenses issued under Section 65 (1) of the Pakistan Civil Aviation Act, 2023, shall have perpetual validity.
2. Air service licenses issued under the provisions of Section 65 (2) of the Pakistan Civil Aviation Act, 2023, shall be renewed by the licensing authority under the provisions of Section 66 of the Pakistan Civil Aviation Act, 2023.

3. Any variation in the terms and conditions of an Air service license shall be granted by the licensing authority under the provisions of Section 67 of the Pakistan Civil Aviation Act, 2023.
4. Fulfillment of mandatory conditions as specified by DGCAA in the relevant regulations or ANOs.
5. There are no PCAA outstanding dues towards the operator.
6. Insofar as the next due renewals of licenses is concerned, up to the date of coming into force of Pakistan Civil Aviation Act, 2023 the provision of NAP – 2019 shall continue to apply. Thereafter, subsequent renewals shall be governed under the provisions of NAP-2023.

3.1.5 Clearance of Outstanding Dues

1. If any air service operator defaults on payment of one fortnightly bill, PCAA shall issue a 07-day notice to the operator for payment of dues. In case the operator fails to deposit the amount due within the notice period, its operations shall be suspended. The recovery of PCAA dues will be affected from its security deposit or advance amount. DGCAA, upon receipt of a written request by the defaulting air service operator, may evaluate the grounds made in the request and provide a relief to the air service operator in terms of time period to pay the outstanding amount.
2. In case suspension owing to non-payment of PCAA dues extends beyond 15 days, recovery of any dues shall be made from attachment and sale of its tangible and intangible assets through legal action.

3.1.6 Facilitating Environment

PCAA shall institute and continue to improve upon the facilitation environment for grant and renewal of Licenses and Certificates.

3.1.7 Security Clearance

1. Security Clearance of Air Service Licenses applicants and operators from concerned agencies shall be mandatory. Ministry of Aviation shall process and pursue the cases with relevant Ministry and agencies for expeditious disposal.
2. Federal and Provisional Government owned organizations acquiring Aerial Work License shall be exempt from Security Clearance requirement.
3. Security clearance for the import of fixed or rotary wing aircraft on purchase, dry-lease or wet-lease basis shall not be required for Pakistani companies and nationals holding valid Air Service Licenses or Organizational Approval.
4. Already security cleared air services operators shall need no additional security clearance for the grant of another class or category of license, provided there is no change in the mandatory conditions that entail new security clearance.
5. All Foreign Equity Partnership and Shareholdings shall be subject to security clearance as per procedure in vogue.

3.1.8 Conditions for Aircraft Registration, Fleet Size and Age

The requirements of registration, calendar age and operational life of an aircraft to be brought on Pakistan Aircraft Register, shall be as follows:

1. Registration of all aircraft owned or operated by air service operators on Pakistan Aircraft Register shall be mandatory.

2. DGCAA may allow one-time temporary registration permission for leased aircraft for ferry flights.
3. All aircraft on Pakistan Aircraft Register shall meet international noise and environmental standards.
4. Aircraft age and life limitations for air service operators shall be as follows:

S. #	Category of Operations	Maximum Induction Age and Operational Life at Induction	Maximum Operation or Retirement Age
1	**Regular Public Transport (RPT)**	18 Years + Minimum 50% Operational life remaining	22 years
2	**Cargo** RPT Charter	Minimum 35% of Operational life remaining	OEM Recommended Age or Cycles
3	**Pressurized – Passengers** Charter Aerial Work Private Aircraft	18 Years + Minimum 35% Operational life remaining	OEM Recommended Age or Cycles
4	**Pressurized – Passengers** TPRI	18 Years + Minimum 35% Operational life remaining	24 years
5	**Unpressurized** TPRI Aerial Work Charter Flying School Private Aircraft	18 years+ Minimum 35% of Operational life remaining **OR** Minimum 50% of Operational life remaining	OEM Recommended Age or Cycles

5. For conversion of a passenger aircraft, operating under another license, into RPT passenger operations, the Maximum Induction Age and Operational Life criteria applicable to RPT shall have to be met.
6. Conversion of aircraft from cargo to passenger operations shall not be allowed.
7. A request by an air service operator for variation in the induction or retirement criteria for an aircraft shall be evaluated by a technical committee constituted by DGCAA. The recommendations of the committee shall be subject to approval by the licensing authority.

3.1.9 Conditions for Wet Lease of Aircraft

1. Induction of foreign-registered aircraft on wet lease may be permitted under the following conditions:
   a. Special circumstances including aircraft accident, maintenance, market evaluation, temporary expansion and Hajj or Umrah or Ziaraat operations.
   b. Wet lease period shall be up to 120 days extendable to a maximum of 180 days starting from induction date of aircraft.
   c. Aircraft calendar age and operational life shall be as stated in Para 3.1.8.
   d. Wet-leased aircraft capacity in terms of ASKs shall not exceed 50% of total owned or dry-leased aircraft capacity assessed in terms of ASKs on annual basis.
   e. There shall be no restrictions on induction of aircraft on wet lease basis for capacity enhancement for charter cargo operations.
   f. There shall be no restrictions on wet lease of aircraft from Pakistani air service operators.

3.1.10. Categories of Domestic Routes

Domestic Route shall be categorized as follows:

1. **Primary Routes**

The following are designated as Primary Airports:

Faisalabad, Islamabad, Karachi, Lahore, Multan, Peshawar, Quetta and Sialkot.

Flight operations between any two primary airports will form a Primary Route.

2. **Secondary Routes**

The following are designated as Secondary Airports:

Bahawalpur, Bannu, Chitral, Dalbandin, D.G. Khan, D.I. Khan, Gilgit, Gwadar, Hyderabad, Khuzdar, Moenjo Daro, Muzaffarabad, Nawabshah, Panjgur, Parachinar, Pasni, Rahim Yar Khan Rawalakot, Saidu Sharif, Sehwan Sharif, Sibi, Skardu, Sukkur, Turbat and Zhob.

Flight operations between any Primary Airport and Secondary Airport or between two Secondary Airports would form a Secondary Route.

3. DGCAA subject to approval of the Federal Minister for Aviation may re-designate any of the airports from Primary or Secondary airports category.
4. DGCAA shall be the Competent Authority to notify exemption of Landing and Housing Charges for scheduled services at Secondary airports.

3.2 Conditions for Air Service Licenses

3.2.1 RPT Operations

RPT operators are the primary contributors to commercial air transport operations and form significant share in Aviation's contribution to the economic development of a country.

3.2.1.1 Conditions for RPT Operations

1. Minimum of three (3) airworthy aircraft of similar capacity on ownership or dry lease basis to start domestic RPT operations.
2. Minimum of five (5) airworthy aircraft on ownership or dry lease basis to start international RPT operations.
3. If the number of airworthy aircraft required is reduced due to any incident or accident only, the operator will replace the aircraft to meet the minimum fleet requirement within four (4) months.
4. RPT operators may obtain Charter License provided they have a minimum of four (4) airworthy aircraft on ownership or dry lease basis.
5. RPT operators shall be required to float sufficient capacity on domestic routes to meet the requirement of domestic sector.
6. RPT operators shall be required to serve a minimum of two (2) Primary Routes.
7. RPT operators shall be required to operate 5% of their total capacity in terms of ASKs floated on domestic Primary routes on at least one secondary route. This provision may be subject to review by PCAA on development of TPRI operations. Non-conformance may result in penal action as determined by DGCAA.
8. RPT operators may engage in commercial arrangement or joint ventures with other air service operators for operations on Secondary Routes.

9. Operations on international routes shall be allowed after one (1) year of continued satisfactory operations on domestic routes as per the following conditions:
   a. Flight Punctuality above 80%.
   b. Flight Regularity above 90%.
   c. Operations on Secondary Routes.
   d. No outstanding PCAA dues.
   e. No outstanding complaints of more than 30 days on account of air passenger rights.
10. Where there are bilateral constraints on capacity, the available capacity shall be allocated amongst the competing RPT operators proportionate to their capacity floated on domestic routes in the previous two scheduling periods and the operator's compliance history.
11. In the bilateral environment, frequency(ies) unutilized by an RPT operator for two scheduling periods shall be allocated to another RPT operator.
12. Where there are bilateral constraints on multiple designations, an offline operator shall be replaced with an operator willing to operate such destinations.
13. RPT operators shall make payment of security deposit and advance deposit for three (3) billing cycles as determined by PCAA. PCAA will develop methodology for calculation purposes.
14. RPT operators shall include a minimum of 10% of their annual pilot intake from CPL holders of domestic Flying Schools.

3.2.2 Tourism Promotion & Regional Integration Operations

Tourism Promotion and Regional Integration (TPRI) License shall be issued for domestic operations.

3.2.2.1 Conditions for TPRI Operations

1. To incentivize TPRI operations, TPRI operator shall be permitted to start operations by inducting two (2) airworthy aircraft of similar seating capacity on wet lease basis for a period of up to one year. Thereafter, TPRI operators shall be required to induct a minimum of two (2) airworthy aircraft of similar seating capacity on ownership or dry lease basis to continue TPRI operations.
2. Aircraft seating capacity for TPRI operations shall be limited to a maximum of 130 seats.
3. TPRI operator shall float a minimum of 35% capacity in terms of ASKs on at least two (2) Secondary Routes.
4. TPRI operator may operate on any Primary Route not operated for 6 months.
5. The Licensing Authority may consider enhancement of route permission for TPRI operators upon successful development of TPRI operations.
6. TPRI operators shall be exempted from payment of landing, housing and operational office space charges at Secondary airports as declared by DGCAA; to be reviewed after a period of three (3) years from start of operations.
7. TPRI operators shall make payment of security deposit and advance deposit for three (3) billing cycles as determined by PCAA. PCAA will develop methodology for calculation purposes.

3.2.3 Charter Operations

Charter Operators contribute significantly to the air transport sector and economic development. Charter operations are classified as follows on the basis of Maximum Take-Off Weight (MTOW):

Flying School License (FSL) is of the following two classes:
Class I – A license authorizing the holder to carry out flying training and ground instruction to enable candidates to qualify for the grant of a Private Pilot License (PPL) and to qualify for the endorsement of aircraft ratings.
Class II – A license authorizing a person or organization to carry out flying training and ground instruction to enable candidates to qualify for the issue of a Private Pilot License (PPL), a Commercial Pilot License (CPL), an Air Transport Pilot License (ATPL) and to qualify for the endorsement of ratings.

3.2.5.1 Conditions for Flying School Class-I and Class-II Operations

1. Minimum of two (2) airworthy aircraft, as per license Class-I or Class-II classification, on ownership or dry lease basis to start Flying School.
2. PCAA shall issue necessary guidelines for operations under Flying School License.
3. Flying School operators shall make payment of security deposit as determined by PCAA.
4. Paid-up capital requirements for Flying Clubs in respect of Flying School licenses, Class I or Class-II shall be waived off subject to maintaining 50% of the applicable paid-up capital requirement under General Reserves or Surplus in their Financial Statements.
5. Flying Clubs shall perform activities for promotion of aviation as required by PCAA.

3.2.6 Ground School Operations

Ground Schools shall provide training to aviation personnel to meet the country's demand.

3.2.6.1 Conditions for Ground School Operations

1. Facilities, syllabus and faculty shall be as required by PCAA.
2. Ground School operators may operate flight and other simulators as approved by PCAA.
3. Ground School operators shall make payment of security deposit as determined by PCAA.

3.2.7 Private Air Operations

Private Air operations are flight operations other than Regular Public Transport, Charter, TPRI, Aerial Work or Flying Training in which no remuneration, hire or reward is given to the owner or the operator of the aircraft.
Private Air Operations are classified as follows on the basis of aircraft Maximum Take-Off Weight (MTOW):
Class I – Operations with aircraft of 5700 Kgs or below.
Class II – Operations with aircraft above 5700 Kgs.

3.2.7.1 Private Air Operations by Pakistan Registered Aircraft

A private aircraft registered in Pakistan may be allowed to operate under following conditions:

1. Obtain a Private Air Operations License.
2. Private Air Operators shall make payment of security deposit as determined by PCAA.
3. Private Air Operators shall not conduct any commercial aircraft operations.
4. Private Air Operators shall obtain a Private Operator Certificate (POC) which shall be renewed as determined by PCAA.
5. All Private Aircraft shall be registered on Pakistan Aircraft Register and shall only be transferred with approval from PCAA.

3.2.7.2 Private Air Operations by Foreign Registered Aircraft

A Foreign registered private aircraft may be allowed to conduct Private Air operations in Pakistan under following conditions:

1. The aircraft may be allowed to conduct air operations within Pakistan for non-commercial purposes only as per PCAA stated requirements.
2. The aircraft shall only be allowed to operate on ATS Routes.
3. A Pakistani national or Pakistani corporate entity shall only be permitted to operate foreign registered private aircraft according to orders issued by PCAA.

3.2.8 Flight Operations for Recreational Activities

Flight operations for Recreational Activities entail use of an aircraft, other than to provide transportation to persons or property for remuneration or hire, for recreational purposes.

1. Flight operations for Recreational Activities include the following:
   a. Gliding.
   b. Ballooning.
   c. Skydiving.
   d. Para-gliding.
   e. Hang-gliding.
   f. Air-racing.
   g. Aerobatics.
   h. Ultra-light flying.
   i. Home-built.
   j. Any other activity as approved by PCAA.
2. Flight operations for Recreational Activities shall be conducted in accordance with aircraft, airspace, licensing and other requirements as per PCAA regulations.
3. Federal Government shall incentivize the Provincial Governments and private sector to develop aviation infrastructure.

3.3 Guidelines for Personnel Licenses

PCAA will restructure and align Personnel Licensing with ICAO SARPS.

1. A transparent, standardized and online examination system shall be introduced for all personnel licenses. Syllabi for all personnel licenses shall be implemented as per the ICAO recommendations.
2. Uniform curriculum requirements shall be developed and implemented for pilots.
3. Automated Personnel Licensing system shall be implemented with machine readable licenses supported by integrated licensing database.
4. The validity of the personnel licenses shall be for a minimum of five (5) years subject to fulfillment of all licensing requirements.
5. Personnel licenses issued by FAA, EASA member states or any ICAO signatory state approved by DGCAA shall be freely convertible to PCAA license.
6. Personnel licenses issued by aviation authorities of other ICAO signatory states shall be convertible to PCAA licenses after fulfillment of requirements as specified by PCAA.
7. Validation of foreign flight crew license shall be done for a maximum period of one (1) year as per PCAA procedure.
8. PCAA shall provide regulatory framework for grant of Multi-Crew Pilot License (MPL).
9. PCAA shall provide incentives for training of female pilots.

3.4 Unmanned Aircraft Systems (UAS)

1. Unmanned Aircraft Systems (UAS), which are widely employed for recreational and commercial applications, is a new component of the civil aviation environment which the industry and the ICAO states are working to define and integrate.
2. PCAA shall be the Regulatory Body for Civil Unmanned Aircraft Systems (UAS) in Pakistan and is responsible for developing policy framework for application of UAS technology.

3.5 Employment of Vertical Take-Off and Landing –VTOL Aircraft System (VAS) in Urban Air Transport

1. VAS is a new and rapidly evolving concept particularly for Urban Air Transport.
2. PCAA shall be the Regulatory Body for Civil VAS in Pakistan and is responsible for developing policy framework for employment of VAS in Urban Air Transport.

Chapter 4 – Aviation Infrastructure Development

4. The concept of Flexible Use of Airspace (FUA) will also be implemented to ensure optimum utilization of airspace.
5. Instrument Landing System (ILS) facility shall be provided at all major aerodromes with its category corresponding to requirement and frequency of traffic.
6. Together with up-gradation of latest navigation aids and procedures, capacity building of industry human resource shall also be ensured. Air service operators will be required to equip their aircraft with matching technologies, and train flight and ground crew.
7. Accessibility by air to Secondary airports with potential of tourism shall be enhanced by introducing satellite-based route navigation systems and Instrument Landing Systems based on Ground Based Augmentation Systems enabling aircraft to land and take-off in inclement route and destination weather conditions.

4.3 Development of Aircraft Maintenance Organizations (AMOs) and Maintenance Repair and Overhaul (MROs) Setups

1. Certified AMOs and MROs shall be incentivized to establish facilities in Pakistan.
2. Paved spaces at Islamabad International Airport are already earmarked in Master Plan of the airport with provision of additional spaces for extension of MRO facility or establishment of multiple MROs.
3. Similarly, spaces at Karachi and Lahore airports may also be allocated for establishment of such facilities.
4. Validity of organization's approval shall be perpetual and shall be reviewed for compliance as per PCAA regulations.
5. Non-conformances with regulations not addressed within specified time may result in penal actions by PCAA.

4.3.1 Incentives for AMOs and MROs

Following incentives shall be offered to AMOs and MROs:

1. Rationalized PCAA charges for land lease and license.
2. 100% Foreign Direct Investment (FDI) shall be permitted. However, JV with a local business entity would be preferred.

4.4 Aircraft Design and Manufacturing Industry

Aircraft design and manufacturing is a highly technological and cost intensive industry that takes decades to mature. World over, establishment and growth of this industry is dependent on support and patronage of public sector. However, once matured it is known to make sizeable contribution to the national GDP through earnings, and savings in foreign exchange.

1. PCAA shall institute measures to narrow the gap of aircraft manufacturing industry in the country. PCAA shall formulate guidelines for setup, regulation, and control of the aircraft manufacturing industry.
2. Validity of organization's approval shall be perpetual and shall be reviewed for compliance as per PCAA regulations.
3. Non-conformances with regulations not addressed within specified time may result in penal actions by PCAA.

4.4.1 Incentives for Aircraft Design and Manufacturing

Following incentives shall be offered to aircraft design and manufacturing organizations:

1. Rationalized PCAA charges for land lease and license.

Chapter 5 – Guidelines for Allied Service Providers

5.1 Ground Handling Service Providers

Ground handlers have a very important role for the safety and efficiency of aircraft operations at airports. Only qualified entities with sound professional expertise and equipment would be permitted to provide ground handling services. Following shall be the guidelines for ground handling service providers:

1. All ground handling service providers shall ensure compliance of Aerodrome Safety Standards and PCAA requirements.
2. All ground handling service providers shall be registered with SECP as private or public company, limited by shares.
3. Ground handling service providers are permitted to set up joint ventures with foreign companies or persons subject to PCAA approval. The Foreign Direct Investment regulatory framework shall be as specified by PCAA and PAA.
4. Domestic air service operators will be permitted to undertake self-handling.
5. PCAA and PAA shall develop and promulgate detailed procedures and licensing requirements for ground handing service providers.

5.2 Policy Guidelines for Suppliers of Other Aviation Services

1. Foreign air service operators overflying or landing in Pakistan will be permitted to avail services offered by Authorized Flight Permission Agents (AFPAs) and Dangerous Goods Handling Agents (DGHAs).
2. These agents shall be registered and regulated by PCAA.

5.3 Policy Guidelines for Fuel Supply Services

1. PCAA will make provisions to ensure reliability, continuity and competitive market conditions for aviation fuel supply.
2. PCAA will develop a framework for establishment and operations of Fuel Farm(s) on lease or license basis at all airports in Pakistan.
3. PCAA shall take measures to incentivize induction of piston-engine aircraft operating on alternative fuels such as motor-gasoline or jet-fuel.

5.4 Conditions for Flight Kitchens

1. Flight catering services to air service operators will only be provided by PCAA approved Flight Kitchens.
2. Flight Kitchens shall be registered with SECP as private or public company limited by shares.
3. Flight Kitchens may be set up as joint ventures with foreign companies or persons for provision of flight catering services. The Foreign Direct Investment regulatory framework shall be as specified by PCAA and PAA.
4. The quality standards as applicable to flight kitchens shall also apply to food outlets at airports.

5.5 Pakistan Meteorological Department (PMD)

Pakistan Meteorological Department (PMD), functioning under Ministry of Aviation, will continue to provide information on weather, climate and geophysical phenomena including early warning of natural hazards such as tropical cyclones, heavy rains, heat waves, floods and earthquakes. PMD shall continue to develop capacity to provide all required meteorological services to the aviation sector and evolve expertise to render technical assistance in the domains of climate change and renewable energy.

5.6 Airports Security Force (ASF)

1. The Government of Pakistan through Airports Security Force Act, 1975, mandates the ASF to provide services to ensure security at airports in accordance with International Civil Aviation Organization (ICAO) standards.
2. ASF working under Ministry of Aviation shall provide security for all civil aviation installations in Pakistan.
3. PCAA will be the aviation security regulator in Pakistan.
4. PAA, through Airport Managers (APMs) will exercise executive control over all airport functionaries with the objective of streamlining processes and enhancing facilitation to travelling public.

Chapter 6 – NAP 2023: Implementation and Revision

6.1 Formation Process

National Aviation Policy – 2023 has been developed with full involvement of Ministry of Aviation and PCAA as well as input from stakeholders of aviation industry.

6.2 Strategy and Long-term Goals

NAP – 2023 provides optimal strategic directions for sustained growth of all identified segments of the aviation sector.

6.3 Responsibility for Implementation

1. The implementation of National Aviation Policy – 2023 shall be the responsibility of Ministry of Aviation through PCAA and PAA. NAP – 2023 supersedes all other previous policies on the subject. PCAA and PAA shall prepare action plans based on this Policy and group action items into projects for implementation.
2. Ministry of Aviation shall be responsible for incorporating NAP – 2023 guidelines into Civil Aviation Rules. As an interim arrangement, till the amendment of Civil Aviation Rules, the NAP – 2023 shall be implemented through PCAA Regulations and ANOs.

6.4 Interpretation of the Policy

Secretary, Ministry of Aviation will be the competent authority to provide interpretation of the policy whenever a situation so warrants.

6.5 Dispute Resolution

In the event where a matter requires dispute resolution, Secretary, Ministry of Aviation shall be the competent authority to adjudicate on the matter.

6.6 Power to Amend or Modify

The Federal Government shall be the Competent Authority for any alteration, modification or relaxation in the National Aviation Policy – 2023, unless otherwise covered in the policy.

Glossary of Terms

Act: Act means the Pakistan Civil Aviation Act, 2023.

Aerial work: An aircraft operation in which an aircraft is used for specialized services such as agriculture, construction, photography, surveying, observation and patrol, search and rescue, and aerial advertisement etc.

Aerodrome: A defined area on land or water (including any buildings, installations and equipment) intended to be used either wholly or in part for the arrival, departure and surface movement of aircraft.

Air Navigation Orders (ANO): ANO means orders issued by the Director General under Pakistan Civil Aviation Act, 2023. Air Navigation Order is a secondary legislation covering legal requirements under which Pakistan-registered aircraft operate; providing that operating permits should be required for foreign airlines operating commercial services (scheduled and charter) to Pakistan and setting out the grounds on which permits may be refused and the penalties levied for infringements of the ANO.

Air Operator Certificate (AOC): AOC is a certificate authorizing an operator to carry out specified commercial air transport operations. AOC is the key link to safety oversight. It attests an air service's competence as to its safe operation, and it determines who is responsible for an air service's safety oversight. In Pakistan it is the Flight Standards Directorate of the Pakistan Civil Aviation Authority. An AOC is one of the criteria required in order for the PCAA to grant an operating license.

Air Passenger: Air Passenger is a person receiving air transportation from the air service operator for which remuneration is received by the air service operator.

Air Route: Air Route means the navigable airspace between two points and the terrain beneath such airspace identified, to the extent necessary, for application of flight rules.

Air Service: Air service means the use of aircraft for the transport of passengers, mail, cargo, or for other proposes.

Air Service License: Air Service License means a license to operate an air service as specified in Pakistan Civil Aviation Act, 2023.

Air Traffic: Air Traffic means all aircraft in flight or operating on the maneuvering area of an aerodrome.

Air Traffic Flow Management (ATFM): A service established with the objective of contributing to a safe, orderly and expeditious flow of air traffic by ensuring that ATC capacity is utilized to the maximum extent possible and that the traffic volume is compatible with the capacities declared by the appropriate ATS authority.

Aircraft: Aircraft means any machine which can derive support in the atmosphere from the reactions of the air, other than the reactions of the air against the earth's surface, and includes a balloon, whether captive or free, airship, kite, glider, any other flying machine and an unmanned aircraft.

Aircraft Simulator: Aircraft simulator is a device used in pilot and crew training that provides a cockpit environment and sensations of flight under actual conditions.

Aircraft Accident Investigation Board (AAIB): AAIB is a board established under Ministry of Aviation, Government of Pakistan which investigates aircraft accidents and incidents in Pakistan.

Aircraft Component: Aircraft Component means any part or equipment for an aircraft, being a part or equipment that, when fitted to, or provided in an aircraft, may, if it is not sound or not functioning correctly, affect the safety of the aircraft or cause the aircraft to

become a danger to person or property, but does not include a part or equipment of a kind that the Director General may direct not to be an aircraft component for the purposes of Civil Aviation Rules.

Aircraft Design and Manufacturing Organization: Aircraft Design and Manufacturing Organization is a company involved in various aspects of designing, building and selling of aircraft, aircraft parts and services related to aviation industry.

Aircraft Maintenance Engineer License: Aircraft Maintenance Engineer License means an aircraft maintenance engineer license issued under the applicable rule(s).

Airport: Airport includes an aerodrome, airstrip, airfield, heliport and any other facility set apart or commonly used or intended to be used, either wholly or partly, for affording facilities for the landing and departure of aircraft as well as any runway, taxiway, building, shed, hanger, vessel, pier, parking areas and any other structure or facility appertaining to the airport in relation to the landing and departure of an aircraft, embarkation and disembarkation of passengers, loading and unloading and handling of passenger baggage, cargo and mail.

Airport Security Force: Airport Security Force means the Airport Security Force established under the Pakistan Airport Security Force Act, 1975 (LXXVII of 1975).

Area Control Centre: A unit established to provide air traffic control service to controlled flights in control areas under its jurisdiction.

ASA: Air Services Agreement is a treaty containing bilaterally-agreed legal framework upon which scheduled air services may operate. This is negotiated by the Government with other governments on a bilateral basis.

ASK: Available Seat Kilometers (ASKs), a measure of capacity floated by an air service operator, on all routes operated or part thereof, are calculated by multiplying available passenger seats and kilometers flown.

Authority: Authority means the Pakistan Civil Aviation Authority.

Authorized Flight Permissions Agent (AFPA): An agent acting on behalf of foreign or local air service providers using civil registered aircraft, for obtaining flight permissions from PCAA.

Automatic Dependent Surveillance (ADS): ADS is a surveillance technology in which an aircraft determines its position via satellite navigation or other sensors and periodically broadcasts it, enabling it to be tracked.

Balloon: Balloon means a non-power-driven lighter-than-air aircraft.

Brownfield Airport: Brownfield Airport is an existing airport that is being expanded or renovated.

CATI: Civil Aviation Training Institute located in Hyderabad.

Cargo Village: Cargo Village as an air-cargo management facility equipped with modern and efficient cargo handling, transportation and clearing infrastructure normally located adjacent to airports.

Charter: A non-scheduled flight operated according to the national laws and regulations of the country being served, as provided for in Article 5 of the Chicago Convention. A flight on which all (or almost all) the capacity which is occupied by passengers or cargo has been sold to one or more Charters for resale.

Charter Operations: (a) Charter Operations means flight operations in which an aircraft is used for the carriage of passengers or cargo for hire or reward; any reference to "Charter" has a corresponding meaning; or

(b) to and from any place but not in accordance with fixed schedules to and from fixed terminals; or

(c) in accordance with fixed schedules to and from fixed terminals in circumstances in which the accommodation in the aircraft is not available for use by members of the public.

Charter Aircraft: Charter Aircraft means an aircraft engaged on Charter operations.

Code-Sharing: An increasingly common marketing device whereby an air service operator places its designator code on a service operated by another such operator. When selling a service, the marketing operator is required to tell passengers that the service will be operated by another operator.

Commercial Air Transport Operation: An aircraft operation involving the transport of passengers, cargo or mail for remuneration or hire.

Contracting State: Contracting State means a country other than Pakistan that is a Party to the Convention.

Controlled Flight into Terrain (CFIT): CFIT occurs when an airworthy aircraft is flown, under the control of a qualified pilot, into terrain (water or obstacles) with inadequate awareness on the part of the pilot of the impending collision.

Co-terminalization: The right to serve two or more specified points in the territory of a party to an Air Services Agreement on the same flight provided these points are contained in the same route. If two or more separate routes are granted, the right to co-terminalize points on separate routes must be specifically established.

Dangerous Goods: Articles or materials capable of posing significant risk to people, health, property or environment when transported in quantity. It also includes items of common use, such as aerosol cans, perfumes, and paints.

Designation: Designation is a nomination by a state of the air service operator (s) to operate a particular route. The bilateral partner can be informed of the nomination by letter, diplomatic note or inclusion of the details in a Memorandum of Understanding (MoU) or Agreed Record.

Director-General: Director General means Director General of the Pakistan Civil Aviation Authority.

Dry-Lease: A dry lease is a leasing arrangement whereby an aircraft financing entity provides an aircraft without insurance, crew, ground staff, supporting equipment, maintenance, etc. Dry lease is typically used by leasing companies and banks, requiring the lessee to put the aircraft on its own AOC and provide aircraft registration. A dry lease arrangement can also be used by a major air service operator and a regional operator, in which the regional operator provides flight crews, maintenance and other operational aspects of the aircraft, which may be operated under the major air service operator's name or some similar name.

Examination: Examination means a medical examination or an examination by way of a test of theoretical knowledge or a practical test of knowledge and skill.

Flight: Flight means

a. in the case of a heavier-than-air aircraft, the operation of the aircraft from the moment at which the aircraft first moves under its own power for the purpose of taking-off until the moment at which it comes to rest after being airborne; and

b. in the case of a lighter-than-air aircraft, the operation of the aircraft from the moment when it becomes detached from the surface of the earth until the moment when it becomes again attached to the surface of the earth or a fixed object on the surface of the earth.

Frequency: Frequency is defined as the number of scheduled flights operated during a period of time (e.g., daily, weekly, monthly, or yearly).

Flight Operations: Flight Operations means operation involving aircraft in flight.

Flight Punctuality: For air traffic, airport flow management and benchmarking purposes flight punctuality is expressed in percentage of flights delayed less than 15 minutes during a specified period (e.g. weekly, monthly or yearly). For purposes of determining an air service operator's efficiency, force majeure flight delays not attributable to the air service operator are excluded.

Flight Regularity: Flight Regularity is defined as the percentage of scheduled flights operated (flown) during a specified period of time (e.g., daily, weekly, monthly, or yearly). For purposes of determining airline efficiency, force majeure flight cancellations not attributable to the air service operator are excluded.

Freedoms of the Air: These definitions relate to aircraft registered in state A:

- 1st freedom: The right to flight over state B without commercial or technical stops.
- 2nd freedom: The right to land in state B for technical purposes, e.g., refueling.
- 3rd freedom: The right to set down traffic from state A in state B.
- 4th freedom: The right to pick up traffic in state B destined for state A.
- 5th freedom: The right to pick up traffic in state B destined for state C or disembark traffic in state B originating in state C.
- 6th freedom: Taking passengers between states B and C but flying via state A.
- 7th freedom: Service between state B and state C operated by air service operator of state A "free-standing fifth freedom".
- 8th freedom: 'Cabotage' domestic services in one country operated by an air service operator of another country.

Glider: Glider means a non-power driven heavier-than-air aircraft, deriving its lift in flight chiefly from aerodynamic reaction on surfaces which remain fixed under given conditions of flight.

Global Air Navigation Plan: Strategic document that describes the methodology for global air navigation harmonization. It contains guidance on the ATM improvements necessary to support a uniform transition to the ATM system envisioned in the ICAO Global ATM Operational Concept.

Greenfield Airport: Greenfield Airport means a new airport which is built from scratch in a new location because the nearby airport is either unusable or non-existent or is unable to meet the projected requirements of traffic.

Ground Handling: Services necessary for an aircraft's arrival at, and departure from, an airport, other than air traffic services.

Holder: Holder in relation to a license or a certificate granted or issued under PCAA rules, means a person to whom the license or the certificate has been granted or issued.

ICAO: ICAO means International Civil Aviation Organization established under the Convention.

Inspector: Inspector means an officer of the Authority designated as inspector by the Director General under Section 93 of Pakistan Civil Aviation Act, 2023.

International Air Operations: International Air Operations means air operations conducted by an air service operator which pass through the airspace over the territory of more than one country, land and take-off from two or more than two countries.

Joint-user Airfields: Airfields that are jointly operated by PCAA and other entity(ies) of the Government of Pakistan.

Lease: The right to occupy certain defined premises or possess some equipment for a fixed period, which may be used for business purposes. The premises or equipment are returned to the owner on expiry of the lease, generally without paying any compensation.

Licensed: Licensed means licensed under PCA Act, 2023.

Loss of Control: The term loss of control refers to emergency situations from which a pilot may have been able to recover but did not, such as problems with situation awareness, recovery from wind shear, mishandling of an approach, and recovery from a stall.

Maintenance: Maintenance means, in relation to an aircraft or an aircraft component, the performance of tasks required to ensure the continuing airworthiness of an aircraft or an aircraft component, including any one or combination of overhaul, inspection, replacement, defect rectification and the embodiment of a modification or repair.

Meteorological Services: Meteorological services mean the provision of weather information and forecasts to support safe and efficient navigation of aircraft.

Minister: Minister means the Minister in-charge of the Ministry of Aviation.

Multiple-Designation: Multiple-Designation arrangements permit an unlimited number of scheduled air services operators to operate. Dual designation allows only two air service operators from each side to operate and single designation permits only one air service operator from each side to operate.

Navigation: Conventional ground-based radio and visual aids to navigation, Global Navigation Satellite System (GNSS) and its associated augmentation systems in support of all phases of flight.

Non-Commercial Operations by Welfare or Non-Profit Organizations: Non-Profit or Welfare Organizations may be allowed to conduct 'non-commercial' operation under Aerial Work License. Non-commercial operations would be restricted to natural-calamity, search & rescue, Medevac or air-ambulance and Government Aerial missions or surveys of public interest or natural calamities.

Open Skies: Open Skies is an international policy concept that calls for the liberalization of the rules and regulations of the international aviation industry - especially commercial aviation - in order to create a free-market environment for the air transport industry. Its primary objectives are:

- To adjust the regime under which military and other state-based flights may be permitted.

- To liberalize the rules for international aviation markets and minimize government intervention as it applies to passenger, all-cargo and combination air transportation as well as scheduled and charter services.

For open skies to become effective, a bilateral, and sometimes multilateral, Air Transport Agreement must be concluded between two or more nations.

Operator: A person who causes or permits the aircraft to fly, be used, or be in any place, whether or not the person is present with the aircraft, or a person who operates an airport.

PAA: PAA means the Pakistan Airports Authority, as established under Pakistan Airports Authority Act, 2023.

PCAA: Pakistan Civil Aviation Authority is abbreviated as PCAA. It is Pakistan's aviation safety, security and economic regulator in Pakistan.

Performance-Based Navigation (PBN): Area navigation based on performance requirements for aircraft operating along an ATS route, on an instrument approach procedure or in a designated airspace.

Predatory Fare or Price: A below-cost fare set by an air service operator with the intention of forcing competitors out of the market.

Private Aircraft: A private aircraft is an aircraft registered with PCAA or on the registry of another ICAO member state permitted to conduct private air operations.

Private Air Operations: Private Operations mean flight operations, other than Flying School, TPRI, Aerial Work, Charter or Regular Public Transport, in which no remuneration, hire, or reward is given to the owner, or the operator of the aircraft in respect of that flight or the purpose of that flight.

Private Operator Certificate (POC): POC is a certificate authorizing an operator to carry out specified private, non-commercial air service operations under Private Air Operations License.

Recreational Activities: Flight operations for Recreational Activities entail use of an aircraft, other than to provide transportation to persons or property for remuneration or hire, for recreational purposes.

Regular Public Transport (RPT) Operations: Regular Public Transport Operations means flight operations in which an aircraft is used for the carriage or passengers or cargo for hire or reward in accordance with fixed schedules to and from fixed terminals over specific routes with or without intermediate stopping places between terminals and any reference to "Regular Public Transport" has a corresponding meaning.

Regular Public Transport Aircraft: Regular Public Transport Aircraft means an aircraft engaged in Regular Public Transport operations.

Registered Aircraft: Registered Aircraft means an aircraft registered under the provisions of PCA Act, 2023.

Regulations: Regulations means the regulations made under the Act.

Route: The permitted points to or through which an air service operator may fly under the bilateral arrangements with third/fourth freedom traffic rights. It is usually contained in the route schedule/annex to an ASA but amendments to the route may be set out in subsequent exchanges of notes.

Runway: A defined rectangular area on an aerodrome prepared for the landing and take-off of aircraft.