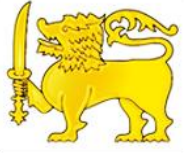


Draft

A large commercial airplane is shown from a low angle, positioned on a runway at night. The aircraft is illuminated by ground lights, and its landing gear is visible. The background shows a dark sky and some blurred lights in the distance.

# A NATIONAL CIVIL AVIATION POLICY FOR SRI LANKA

NOVEMBER 2016

## Executive Summary

The policy paper, ‘**A National Civil Aviation Policy for Sri Lanka**’ was developed in consultation with most stakeholders in the industry, both public and private. The consultation process was inclusive and transparent, so that stakeholders have full ownership of the policy.

The policy proposed in this document highlights the future direction and positioning of Sri Lanka as a leading aviation and transport hub in the South Asian region. The overarching objective of the policy is to transform the country into a superior air service provider while connecting to the wider world aviation network.

## **Acknowledgement**

The Government of Sri Lanka (GoSL) would like to thank all stakeholders for their valuable input and active participation in the discussion sessions of this policy.

The GoSL is grateful to the final drafting committee consisting of The Ministry of Transport & Civil Aviation, Civil Aviation Authority of Sri Lanka (CAASL), Airport & Aviation Services (Sri Lanka) Limited (AASL), Attorney General's Department, Sri Lankan Airlines, Sri Lanka Airforce, Board of Airline Representatives (BAR), Sri Lanka Association of Airline Representatives (SLAAR) and Domestic Aviation Representatives for their fullest cooperation in finalising the policy paper.

## Table of Contents

<b>Executive Summary .....</b>	<b>1</b>
<b>Acknowledgement .....</b>	<b>2</b>
<b>Introduction .....</b>	<b>4</b>
<b>1. Key Elements of the Policy.....</b>	<b>7</b>
<b>2. International Air Transportation.....</b>	<b>7</b>
<b>3. Domestic Air Services.....</b>	<b>10</b>
<b>4. General Aviation.....</b>	<b>10</b>
<b>5. Stakeholder Participation in Aviation Infrastructure Development .....</b>	<b>11</b>
<b>6. Designation of Airspace for Special Use .....</b>	<b>11</b>
<b>7. Off-shore operations.....</b>	<b>11</b>
<b>8. Airport Infrastructure.....</b>	<b>12</b>
<b>9. Airport Master Plan .....</b>	<b>13</b>
<b>10. Air Cargo Trans-shipment.....</b>	<b>13</b>
<b>11. Land Use Planning.....</b>	<b>14</b>
<b>12. Air Space Management .....</b>	<b>14</b>
<b>13. Aviation Safety .....</b>	<b>15</b>
<b>14. Aviation Security.....</b>	<b>17</b>
<b>15. Civil-Military Coordination.....</b>	<b>18</b>
<b>16. Human Resources Development.....</b>	<b>19</b>
<b>17. Investment Promotion .....</b>	<b>20</b>
<b>18. Consumer Protection.....</b>	<b>21</b>
<b>19. Access for Persons with Reduced Mobility and Special Needs.....</b>	<b>21</b>
<b>20. Multi Modal Transportation.....</b>	<b>21</b>
<b>21. Environmental Safeguards.....</b>	<b>22</b>
<b>22. International Conventions .....</b>	<b>22</b>
<b>23. Taxation and Related Issues .....</b>	<b>22</b>
<b>24. Implementation, Monitoring and Amendment of the Policy.....</b>	<b>22</b>
<b>25. Glossary .....</b>	<b>23</b>

## Introduction

The aviation industry is of national strategic importance to Sri Lanka as the country depends on air transport to link people with the rest of the world. More importantly, aviation is a critical enabling industry for the broader economy. A safe, secure and efficient aviation industry reinforces a range of business, trade and tourism activities that contribute significantly to our economic prosperity.

Sri Lanka's Aviation Sector has shown an average growth in passenger movements, cargo handling and aircrafts handling by 5.5 percent, 8.0 percent and 7.7 percent respectively during 2012-15. In 2015, nearly 8.5 million passengers and 215,032 metric tonnes (MT) of cargo were transported by air.

### Future of Aviation in Sri Lanka

- As a result of the development initiatives of the government, especially in the tourism sector, passenger air traffic (arrivals & departures) has been estimated to be about 21 million by 2035 from the present figure of 8.5 million<sup>1</sup> in Sri Lanka.
- Domestic air travel demand is predicted to increase to 337,000 persons in 2035<sup>1</sup> from the current number of 137,000 persons.
- The industrial and trade policies of the government aim to expand domestic production and market structure to gain maximum advantages from trade.

---

Cover Picture Source: Airbus & Downloaded: Fred George, "Flying the A350: Airbus's Most Technologically Advanced Airliner", Aviation Week & Space Technology (May 2015), accessed 21st October 2016, <http://aviationweek.com/commercial-aviation/flying-a350-airbus-s-most-technologically-advanced-airliner>.

<sup>1</sup> Options study for Private Sector Participation for the Development of the Domestic Airport Sector in Sri Lanka, World Bank, 2016.

## Prospects for Sri Lanka in the Asia Pacific Region and Globally

- The world's busiest international/regional air routes are located in the Asia Pacific region. Air traffic growth within the next 20 years will be driven by the Asia Pacific region. (36%<sup>2</sup> of air traffic from the Asia-Pacific region by 2034 compared to 21% from Europe)
- The Asia Pacific region is home to around 56% of the world's population and a rapidly expanding middle class. This region generates 31% of global GDP.
- The global air craft maintenance, repair and overhaul industry (MRO) is estimated to grow to US \$ 95 billion in 2024 from the present value of US \$ 64 billion<sup>3</sup>. The Asia Pacific MRO market is expected to nearly double to approx. \$32.2 billion by 2025. There will be a significant contribution from China and India to this growth with increased numbers of aircraft in operation. Meanwhile, the mega MRO hubs in the region such as Singapore, Hong Kong and China and Malaysia may reach saturation point.
- As global economies expand, airlines will take delivery of tens of thousands of new commercial jetliners. To meet this tremendous growth, Boeing, in its 2016 Pilot and Technician Outlook, projects a demand for nearly 1.5 million pilots and technicians over the next 20 years (2016 – 2035)<sup>4</sup>. The largest projected growth is in the Asia-Pacific region with 40%<sup>5</sup> of the global need coming from the region due to the growth of the single-aisle market, driven by low-cost carriers.

---

<sup>2</sup> Asia Pacific Aviation Competitive Challenges & Growth Dynamics, Andrew Herdman, Director General, Association of Asia Pacific Airline.

<sup>3</sup> ICF MRO Market Forecast & Trends – Asia Pacific March 9-10, 2016 Airline E&M: China & East Asia.

<sup>4</sup> Boeing (NYSE: BA), “Boeing Forecasts Nearly 1.5 Million Pilots and Technicians Needed by 2035”, accessed 20<sup>th</sup> October 2016, <http://boeing.mediaroom.com/2016-07-25-Boeing-Forecasts-Nearly-1-5-Million-Pilots-and-Technicians-Needed-by-2035>.

<sup>5</sup> Boeing (NYSE: BA), “Extraordinary demand for pilots, technicians, and cabin crew”, accessed 20<sup>th</sup> October 2016, <http://www.boeing.com/commercial/market/long-term-market/pilot-and-technician-outlook/>.

Sri Lanka has the potential to leverage the advantages from the regional and global aviation markets and transform its aviation sector into a catalyst for economic growth, including new employment. Therefore, it is vital for Sri Lanka to support and encourage the development of the aviation industry in order to contribute to the economic prosperity of the country. The policy outlined below lays out the steps that need to be taken in order to position Sri Lanka as a leading aviation and transport hub in the South Asian region.

## **1. Key Elements of the Policy**

The National Civil Aviation Policy is based on the premise that airspace above Sri Lanka is a public asset which has a vast potential for economic development and national integration. The key elements of the Civil Aviation policy are aligned accordingly to tap the full potential of aviation, giving optimum freedom to use the airspace for peaceful purposes that includes freedoms of the air recognized by the Chicago Convention (1944) as well as commercial, recreational, and educational activities with due regard to national security and Sri Lanka's obligation under applicable international conventions for aviation safety & security, safety of the public and environmental protection. The key elements of the policy enumerated below will lay the foundation to elevate Sri Lanka's position as a leading aviation and transport hub in the South Asian region.

Central to the envisaged creation of an aviation hub is the need for a strong home based airline and accordingly, the designated national airline(s) and the main international airport (BIA), will be integrated with the overall economic development.

Implementation strategy of the Policy will focus amongst other aviation activities, on aircraft maintenance and repair facilities for heavy and medium aircraft types, aviation training as well as aviation related engineering services and manufacturing industries which will be promoted through simplification of procedures and by providing the required infrastructure facilities and services.

## **2. International Air Transportation**

Sri Lanka is committed to the promotion of international air services in order to provide opportunities for development of employment, trade and commerce, investment and tourism in particular. Towards the realization of this goal, the Government of Sri Lanka (GoSL) will commit to competitiveness and equal and open access in entering into air services arrangements with other States on the basis of reciprocity with a view to harnessing the economic, trade, commerce, tourism,



religious and social benefits that flow from opening of new international aviation markets and/or expanding existing international aviation markets resulting in wider connectivity.

Thus, Sri Lanka will be open and flexible in the exchange of commercial traffic rights with bilateral or multilateral partner States underscoring reciprocal and apparent benefits to Sri Lanka.

Accordingly, applicable considerations for grant of new traffic rights or enhancement of existing traffic rights would include inter alia: –

- a) Potential for accessing new tourist markets and generating tourist/business traffic to Sri Lanka;
- b) Creation of new city pairs with which Sri Lanka does not maintain direct air links;
- c) Promotion of BIA as a hub airport while developing other Airports based on market demand;
- d) Attracting and/or retention of reputed international carriers to Sri Lanka;
- e) Reciprocal enhancement of traffic rights and/or commercial opportunities for carriers of Sri Lanka;

Every effort will be made to negotiate expanded network opportunities and improve market access for designated carriers of Sri Lanka to international aviation markets, in accordance with the requirements of such carriers and future interests of the country.

Accordingly, the traffic capacity available to Sri Lanka's designated airlines engaged in international air transportation in terms of the applicable Air Services arrangements will be maintained ahead of foreseeable demand to enable these airlines to plan for the long term growth of Sri Lanka's aviation market.

Designation of national airlines to participate in the operation of international passenger and/or cargo services under the existing and/or future air services arrangements shall be subject to such airlines meeting the applicable legal, technical, operational and administrative requirements that conform to international standards.

A fair and transparent mechanism will be maintained for allocation of available or potential traffic rights amongst local airlines.

The Government will promote the principal place of business (PPB) standard in the negotiation of new air services agreements. The Government proposes to renegotiate the substantial ownership clauses in existing air services agreements according to the PPB standard.

Charter operations by both local and foreign airlines will be encouraged with an easing of regulations but with due regard to safety, security and environmental considerations and in accordance with applicable guidelines and regulations of Civil Aviation Authority of Sri Lanka (CAASL).

Foreign Airlines will be permitted to operate to Sri Lanka either through a locally registered General Sales Agent or by the airline incorporating a limited liability company in Sri Lanka or operate directly with an irrevocable Bank guarantee from a Bank in Sri Lanka drawn in favour of the CAASL.

Airlines shall have the freedom to self-handle where permitted or to select from available Ground Handling service providers and suppliers of aviation fuel.

Airlines will be permitted to employ expatriate management/technical workers based on sufficient justification and in accordance with applicable guidelines. In any event, a foreign airline may have two expatriate staff in the commercial area, and two in technical areas. Any additional expatriate staff may be employed subject to approval of the Director General of the CAASL.

### **3. Domestic Air Services**

The Government supports the continuous development of a vibrant domestic aviation industry that would deliver economic and social benefits to the country. To this end, private sector investment in domestic airlines as well as aerodromes and other aviation facilities and services will be encouraged. All domestic aerodromes except exclusive military aerodromes will be maintained in accordance with the applicable civil aviation standards to promote domestic aviation.

The construction of new domestic aerodromes will be pursued at locations based on tourism, trade, investment and commerce, industrial and religious centres. This will include construction of heliports and helipads. The use of inland water bodies as water aerodromes will be encouraged and facilitated in consultation with relevant authorities in charge of such water bodies without prejudice to their primary use. Regulation of all matters including determination of charges at domestic airports used for civil aviation will be vested in the CAASL.

In the development of airports, the need for integrating such facilities with other modes of transport such as rail, road and sea (multi- modal transport) to provide seamless travel will be given high priority. In this context, construction of helicopter landing pads at selected locations in major cities and by the side of Highways and Expressways will be promoted, to facilitate efficient transfers including medical evacuation. Construction of private airstrips, heliports and helipads will be permitted and encouraged subject to conformity with published requirements by the CAASL.

### **4. General Aviation**

The Government recognizes the need for the development and facilitation of general aviation, private operations and recreational aviation, including aero sports whilst maintaining the required safety standards and security requirements. The Government will promote the creation of a sound ‘safety culture’ amongst aviation entrepreneurs and insist on implementation of appropriate Safety Management Systems (SMS) in the respective areas they are engaged in, conforming to the State

Safety Programme of the CAASL. The process of granting approval for general aviation activities will be simplified so as to minimize administrative delays.

Formation of rural or regional aero clubs to promote and administer recreational or educational aviation functions, activities or events will be encouraged. Recreational aviation including aero-sports in the country will be allowed with due regard to national security and safety. Operation of hot air balloons, gliders, para-gliders and ultra-light aircraft, etc. as well as radio controlled model aircraft and remote controlled pilotless flying devices such as drones will be permitted subject to compliance with the code of conduct which is administrated by the CAASL.

## **5. Stakeholder Participation in Aviation Infrastructure Development**

The Government recognizes that there would be stakeholders who may be affected by proposed development of aviation related activities. Therefore, the views of such stakeholders will be sought and given due consideration.

## **6. Designation of Airspace for Special Use**

Airspace of defined dimensions may be identified and designated for promotion of all or selected facets of the aviation spectrum.

## **7. Off-shore operations**

The establishment of helicopter and fixed-wing air services to engage in off-shore operations to support off-shore installations and sea-going vessels including search and rescue operations will be encouraged and facilitated giving due consideration for national security and public safety requirements or other entities where necessary.

## **8. Airport Infrastructure**

Development of airport infrastructure is essential for the growth of the aviation and tourism sectors. Action will be taken to develop and maintain all existing and proposed domestic and international airports in Sri Lanka according to required standards and the foreseeable demand.

In the development of new airports or renovation or expansion of existing airports, the Government will ensure that systematic planning, designing, development, implementation, operation and maintenance will take place through close coordination and proper dialogue with Statutory Service Provider; Airport and Aviation Services (Sri Lanka) Limited (AASL) and all other parties concerned. Effective and continued dialogue between local communities, aviation stakeholders and airport developers with AASL will be maintained during infrastructure development.

The Government will work towards setting up and operating four (4) regional airports covering the North, East, South and West of Sri Lanka.

Other than at domestic airports which are exclusively used by Sri Lanka Air Force for security reasons, all domestic airports shall be made available for joint civil/military use with clear segregation of civil and military activities. In this context, clear demarcation of one side for civil aviation and the other side for SLAF will be maintained with the option of land on the civil side being made available to prospective investors on long term lease for setting up and operation of civil aviation infrastructure.

Domestic terminal facilities to be initiated in international airports to accommodate passenger transfers to and from domestic airports in the country to strengthen and ensure effective domestic networks.

## **9. Airport Master Plan**

Every airport used for civil aviation will have a Master Plan which will outline development strategies and options for its optimum use including the land use planning in the lands abutting the airport.

Therefore, future infrastructure needs for airports will be addressed through properly coordinated and integrated Airport Master Plans recognizing the importance of airports as a key element of the national economic infrastructure.

## **10. Air Cargo Trans-shipment**

The air cargo industry is largely dependent on trans-shipment and it is necessary to promote cargo processing and trans-shipment of air cargo. Therefore, the development of air cargo handling facilities and capabilities will be planned and integrated with the handling of sea cargo in coordination with Ports Authorities and other concerned stakeholders such as Sri Lanka Customs.

The concept of Regulated Cargo Agent will be introduced so that cargo containerized at a Regulated Cargo Facility will reserve the right to conduct security checks at the airports, minimizing the ground delay in handling. All Freight Forwarders and Cargo Agents will be brought under regulatory system by issuing them with a License by the CAASL.

The focus will be given to the promotion of value addition of air cargo trans-shipment which is a part of the global supply chain. Cargo charter carriers will also be encouraged to operate with the approval of the CAASL.

## **11. Land Use Planning**

Land use planning is essential to optimize the use of limited land resources. Therefore, particular emphasis will be placed on demand and future passenger and cargo growth forecasts. Proper land use planning will be carried out for effective use of the airport and its environs. Airspace associated with airports including the certified water aerodromes and heliports will be preserved by establishing an effective enforcement of obstacle limiting areas and surfaces (zoning requirements) according to applicable international safety standards laid down by the International Civil Aviation Organisation (ICAO).

## **12. Air Space Management**

Recognizing that Sri Lanka's Air Space is an invaluable public asset which has immense potential for socio economic growth, the effective and efficient management and use of air space for civil aviation purposes will be ensured with due regard to national security and safety. The Government will adopt flexible use of airspace depending on the operational needs instead of curtailing civil use of airspace permanently. Accordingly, currently established permanent restricted areas and prohibited areas will be done away with and new areas will be established for activation subject to national security requirements.

The Government supports the implementation of international best practices in Air Traffic Management within Sri Lanka's airspace to provide a safe and efficient service. This will be achieved by developing a coordinated national air traffic management programme with the CAASL, AASL, designated national airlines and SLAF, having due regard to the safety of the travelling public, optimization of economic gain for the country and national defence requirements. Government will support and facilitate flight operations on user defined trajectories in keeping with international standards and applicable regional air navigation plans and commitments.

The ICAO Global / Regional Air Navigation Plan will be used as the basis for planning, designing, equipping and managing Sri Lanka's airspace. Accordingly, Sri Lanka's airspace will be managed keeping pace with ICAO advocated policy of Aviation System Block Upgrade (ASBU), which expands for a time horizon of 20 years effective 2008.

Provision of Air Traffic Control Service at all airports where civil flights operate to, shall be made by Air Traffic Controllers holding appropriate Air Traffic Control (ATC) Licenses issued by Director General of the CAASL.

Further to the concept of open airspace policy by the CAASL, a procedure will be laid down to maximize the opportunities afforded by this policy within the country while recognizing the establishment of air space classes including air corridors within the Colombo city and international runways.

### **13. Aviation Safety**

An acceptable level of freedom from risk when engaged in aviation activities is the corner stone of aviation safety. An Aviation Safety Programme will thus be developed in line with international standards and implemented as a measure of fulfilling the State's obligation for effective safety oversight of aviation activities within Sri Lanka.

The safety regulator, CAASL, will be an independent statutory body entrusted with the responsibility for the regulation of aviation safety. The CAASL's technical competency and operational capability will be ensured by providing requisite financial resources and necessary administrative flexibility. This will include the authority to effect necessary organizational and structural reforms including human resources requirements to satisfy the State's obligations and meet the current and expanding industry demands, pertaining to aviation safety.



The CAASL's capacity to plan and act strategically in response to growth and changes in the global aviation industry will be reinforced with adequate administrative arrangements. The CAASL's capabilities in development, introduction and enforcement of technical standards and regulations will be strengthened and its capacity in supporting an expanded surveillance programme will be enhanced.

The mandate of CAASL to certify and regulate the operations of international and domestic air operators and other aviation service providers such as Airport Operators, Maintenance and Repair Organizations, Training Organizations and Aerospace Manufacturing Organizations, will be strengthened to ensure that safety standards formulated by the CAASL in accordance with accepted international standards are complied with. Priority will also be given to reviewing and initiating regulatory reforms pertaining to safety and security including amendments to existing regulatory provisions as and when required. Action will be taken by the CAASL to publish and disseminate the rules and regulations and guidance material for information and compliance by the aviation industry.

The aviation industry is required to comply with formulated safety standards and is encouraged to develop systems to establish, maintain and update Safety Management Systems (SMS). A culture of self-reporting by operators and service providers in a non-punitive environment will be encouraged affirming the obligation of Air Operators Certificate (AOC) holders and certified operators to notify the CAASL immediately of any failures in safety compliance.

Action will be taken to implement an Aviation Disaster Management Plan in coordination with the relevant authorities responsible for national disaster management. In order to maintain the highest standards in safety investigations, the principle of the independence of investigations of accidents and major incidents will be protected and upheld.

## 14. Aviation Security

Aviation Security is defined as safeguarding civil aviation against acts of unlawful interference.

This objective is achieved by a combination of measures with human and material resources.

The GoSL maintains a zero-tolerance policy with regard to "air rage" and an act by any person which may endanger an aircraft, its passengers and/or crew, will be prosecuted under domestic and/or international law.

In conformity with applicable international conventions and domestic legislation, all necessary steps will be taken to ensure that aviation is safeguarded against acts of unlawful interference by terrorists and other perpetrators of violence against aircraft or airports.

Priority will be given to the consistent implementation of the approved National Civil Aviation Security Programme (NCASP). Timely action will be taken to effect the necessary amendments to the NCASP based on periodical threat assessments to ensure measures of control commensurate with the risk factor.

The regulatory agency for aviation security of the State will be the CAASL. The CAASL is required to ensure that surveillance of all civil aviation security functions is conducted by a quality control mechanism. All stakeholders performing aviation security functions should manage their tasks by an internal quality control system.

Steps will be taken to ensure implementation of aviation security measures and controls stipulated in the NCASP on a continuous basis and to a consistent standard. All civil airports and aerodromes shall maintain Aviation Security Services certified by the CAASL.

Adequate training for all personnel involved in civil aviation security in conformity with the National Civil Aviation Security Training Programme will be carried out.

Civil aviation security measures and requirements will be integrated into the architectural design and construction of new facilities and alterations to existing facilities at airports and aerodromes.

In order to ensure passenger confidence and convenience and to avoid an uneasy environment at airports, action will be taken to provide better information to the travelling public regarding screening processes together with appropriate signage. Effective screening technologies and techniques where appropriate will be introduced to improve passenger convenience and address security concerns, with due regard to individual privacy. In partnership with the industry, guidance for handling complaints, screening passengers with special needs and other aspects of the screening process will be developed.

To be in readiness for unforeseen aviation security contingencies, an Airport Security Contingency Plan will be developed with agencies responsible for national security and regularly updated. Action will also be taken to establish a fully equipped Emergency Operation Centre to meet any security contingency.

## **15. Civil-Military Coordination**

The Government recognizes that the Sri Lanka Air Force (SLAF) has valuable assets in terms of personnel, equipment and infrastructure to provide supporting services such as Search & Rescue operations, which could be shared for the benefit of the country's aviation sector.

The GoSL recognizes that the Sri Lanka Navy has qualified Naval personnel to engage in water rescue missions in the event of an aircraft alighting on water and in addition, to look after the water borne security during the arrival and departure of VVIP aircraft.

A Joint Civil-Military Coordination Committee will be established with a view to facilitating a harmonious working environment.

## 16. Human Resources Development

The Government recognizes the importance of trained, qualified, experienced and skilled aviation workforce to steer the industry forward, safely and professionally. In this context, the Government will join hands with the ICAO in promoting Next Generation Aviation Professional (NGAP) Programme in Sri Lanka whereby future human resources are identified and appropriate training provided.

To this end the Government will encourage the development of Aviation Training Centres capable of delivering a variety of training programmes related to the field of aviation. Training in the areas of flying, aircraft maintenance, airport related technical areas, safety management systems, airline and airport marketing, aviation economics, airport master planning, human resource development and aviation law will be accorded the highest priority.

Training establishments are thus encouraged to share synergies and benefit from each other's resources in order to optimize the quality of training and to gain international acceptance through certification and accreditation by leading international training establishments.

All aviation related organizations will be required to address training needs through a comprehensive training plan for employees and implement it through systematically designed training programmes, by induction and in-service training.

It is necessary to have in place a National Plan for career succession in aviation starting within schools to create awareness among the younger generation and assist in defining career pathways from school into aviation related occupations.

Action may be taken to include aviation in the school and vocational training curriculum and will be also included in the university education with a view to upgrading aviation studies leading to degrees in aviation.

Industry partners will be required to facilitate this education process by providing in-house/industrial training and internships for undergraduates following aviation degree programmes conducted by the universities and other aviation institutions.

A National Civil Aviation Training Co-ordination Centre will be set up with a view to marketing local aviation training facilities and services.

Scholarship programmes will be arranged under the ICAO Third Country Training Programme so that more foreign students are attracted through the Foreign Ministry and the Department of Commerce under joint trade agreements with other States.

A special fund will be set up to initiate, channel and facilitate local and foreign training for aviation related skills development projects and improvement and upgrading of training facilities in the private sector.

## **17. Investment Promotion**

The Government supports a competitive environment for aviation related businesses such as multiple ground handling service providers, airline caterers, suppliers of aviation fuel and lubricants at airports in line with demand for such facilities adhering to prevailing laws, while giving due regard to existing commitments and national interest.

Opportunities for the setting up of Aircraft Maintenance, Repair and Overhaul (MRO) facilities will be provided to potential investors in accordance with the international safety standards such as EASA (European Aviation Safety Agency) and FAA (Federal Aviation Administration).

Foreign investment up to a 90% of share capital in public-private partnerships (PPPs) for the development, operation and maintenance of new aviation related projects and/or new airports will be permitted. Foreign investment and PPPs in areas such as maintenance and manufacturing

organizations, catering and training centre's etc. will be encouraged in accordance with applicable laws, regulations and guidelines.

### **18. Consumer Protection**

While the GoSL is committed to ensure safety, security and sustainability of the aviation sector through the use of technology and effective monitoring, action will also be taken to implement and enforce an Airline Accident Victim Relief Programme which is the responsibility of the respective airlines to provide relief to the victims and survivors of aviation accidents and next of kin to meet their immediate needs.

Provided that where any airline operating to/from or through Sri Lanka already includes and maintains compensation benefits for injury and/or loss of life in accordance with applicable international standards as part of its Conditions of Carriage (CoC), such airline(s) shall be excluded from the ambit and purview of the proposed Airline Accident Victim Relief Programme, as contemplated in the preceding paragraph in order to prevent dual exposure of airlines to liability for injury and /or loss of life and/or damage to property.

### **19. Access for Persons with Reduced Mobility and Special Needs**

The Government recognizes the difficulties experienced by people with reduced mobility and special needs in accessing air travel. This strategy will involve a range of measures adopted from the best international aviation industry practices, underpinned by a commitment to more inclusive and ongoing consultation on reduced mobility issues with relevant parties in keeping with international obligations undertaken by the GoSL.

### **20. Multi Modal Transportation**

The Government will promote multi modal transportation wherever possible to enable the growth of the industry and the national economy. The airport infrastructure will be integrated with other modes of transport such as, roadways, railways and/or waterways where possible.

## **21. Environmental Safeguards**

The Government recognizes the importance of addressing the impact of aviation activities on the environment and the need to take appropriate mitigation measures. Accordingly, the Government will implement the ICAO-approved basket of measures, including GMBM (Global Market Based Measures).

## **22. International Conventions**

In the fulfilment of its international obligations, the Government will also take steps to accede to International Conventions and Instruments as deemed applicable and necessary, including the Montreal Convention (1999) and Cape Town Convention (Aircraft Protocol).

## **23. Taxation and Related Issues**

The GoSL will take it into account industry stakeholder views as well as the development of the aviation industry in Sri Lanka in its taxation policy.

## **24. Implementation, Monitoring and Amendment of the Policy**

The GoSL will ensure there shall be a review mechanism to monitor the implementation of this policy document.

The GoSL shall also ensure that this policy will be updated in a timely manner to keep pace with the technological and industrial development.

## 25. Glossary

### Table of Acronyms

<b>Acronym</b>	<b>Title</b>
GoSL	Government of Sri Lanka
ICAO	International Civil Aviation Organisation
CAASL	Civil Aviation Authority of Sri Lanka
AASL	Airport & Aviation Services (Sri Lanka) Limited
BIA	Bandaranayke International Airport
PPB	Principal Place of Business
PPP	Public Private Partnership
DGCA	Director General of Civil Aviation Authority of Sri Lanka
SMS	Safety Management Systems
SLAF	Sri Lanka Airforce
ASBU	Aviation System Block Upgrade
ATC	Air Traffic Control
AOC	Air Operators Certificate
NCASP	National Civil Aviation Security Programme
VVIP	Very Very Important Person
NGAP	Next Generation Aviation Professional Programme
EASA	European Aviation Safety Agency
FAA	Federal Aviation Administration
CoC	Conditions of Carriage
GMBM	Global Market Based Measures
MRO	Maintenance, Repair & Overhaul