

# Bill Summary

## The Airports Economic Regulatory Authority of India (Amendment) Bill, 2019

- The Airports Economic Regulatory Authority of India (Amendment) Bill, 2019 was introduced in Rajya Sabha on July 12, 2019 by the Minister of State for Civil Aviation, Mr. Hardeep Singh Puri. It amends the Airports Economic Regulatory Authority of India Act, 2008. The Act established the Airports Economic Regulatory Authority of India (AERA). The AERA regulates tariffs and other charges for aeronautical services provided at civilian airports with annual traffic above 15 lakh passengers. It also monitors the performance standard of services across these airports.
- **Definition of major airports:** The Act defines a major airport as one with annual passenger traffic over 15 lakh, or any other airports as notified by the central government. The Bill increases the threshold of annual passenger traffic for major airports to over 35 lakh.
- **Tariff determination by AERA:** Under the Act, AERA is responsible for determining: (i) the tariff for aeronautical services at different airports every five years, (ii) the development fees of major airports, and (iii) the passengers service fee. It can also call for necessary information to determine tariffs and perform any other tariff-related functions, including amending the tariffs if necessary in the interim periods.
- The Bill adds that AERA will not determine: (i) the tariff, (ii) tariff structures, or (iii) the development fees, in certain cases. These cases include those where such tariff amounts were a part of the bid document on the basis of which the airport operations were awarded. AERA will be consulted by the concessioning authority before incorporating such tariffs in the bid document, and such tariffs must be notified.

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