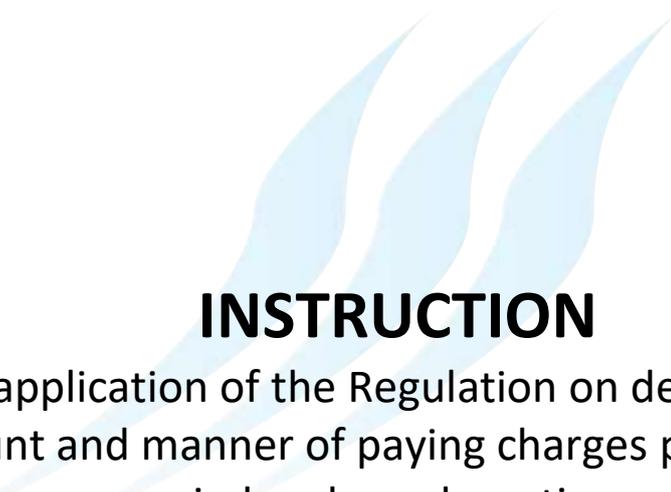




MONTENEGRO
CIVIL AVIATION AGENCY



INSTRUCTION

for the application of the Regulation on determining the amount and manner of paying charges per tonne of goods/cargo carried and per departing passenger in air transport („Official Gazette of Montenegro“, No 072/20)

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1. IDENTIFICATION

1.1. SUBJECT MATTER AND SCOPE

This Instruction provides guidelines and instructions for the application of the provisions of the Regulation on determining the amount and manner of paying charges per tonne of goods/cargo carried and per departing passenger in air transport ("Official Gazette of Montenegro", No. 72/20) (hereinafter: the Regulation). In that regard, this instruction determines the procedure carried out by the Civil Aviation Agency (hereinafter: CAA) when calculating CAA passenger and CAA cargo charges, the content of the forms of reports on the number of departing passengers in civil air transport and reports on the carried cargo in civil air transport, as well as instructions for their completion and delivery.

The purpose of this instruction is to assist aviation entities to ensure the consistent and full application of the provisions set out in the Regulation, and therefore it applies to both, the Agency's Financial Service responsible for issuing bills for CAA passenger and CAA cargo charges, and to airport operators and air carriers.

1.2. OTHER RELATED DOCUMENTS

This instruction is related to the following documents:

- Law on Air Transport ("Official Gazette of Montenegro", No. 30/12, 30/17 and 82/20),
- Regulation on determining the amount and manner of paying charges per tonne of carried and per departing passenger in air transport ("Official Gazette of Montenegro", No. 72/20).

1.3. DEFINITIONS AND ABBREVIATIONS

CAA passenger charge: a charge paid by all departing passengers in civil air transport, through an airport operator

CAA cargo charge: a charge paid by aircraft users per tonne of cargo carried in civil air traffic, through an airport operator

GHLCN (Ground Handling & Landing Charge Note) list: is a list of airport operators on the basis of which data on departing flights are obtained for which the airport operator has charged ACV passenger and/or ACV cargo charge

CAA: Civil Aviation Agency

PAX/CAR employee: CAA employee engaged in the processing of reports of airport operators on departing passengers carried in civil air transport and departing cargo carried in civil air transport.

Application of CAA charge: CAA application in which data from the airport operator's report on departing passengers carried in civil air transport and carried cargo in civil air transport are entered.

2. DESCRIPTION OF ACTIVITIES

2.1. GENERAL

CAA provides funds for the performance of activities within its scope and from the charge paid by:

- all departing passengers in civil air transport, through the airport operator; as well as
- aircraft users per tonne of carried cargo in civil air transport, through the airport operator.

The following table provides an overview of charges whose amounts are prescribed in Art. 2 and 6 of the Regulation.

Table 1 Overview of charges

No.	Type of a charge for improvement of air transport	Abbreviation of a charge	Amount of a charge	Exemptions from paying
1.	Charge paid by all departing passengers in civil air transport	CAA passenger charge	0,98 euros (EUR) per passenger	<ol style="list-style-type: none"> 1. Transit passengers; 2. Passengers with tickets issued without charge (service tickets ID 00); 3. Children under two years of age (INF); 4. DHC crew.
2.	Charge paid by transfer passengers	CAA passenger charge	0,49 euros (EUR) per passenger	<ol style="list-style-type: none"> 1. Passengers with tickets issued without charge (service tickets ID 00); 2. Children under two years of age (INF); 3. DHC crew
3.	Charge paid by aircraft users per tonne of carried cargo in civil air transport	CAA cargo charge	0,02 euros (EUR) per kilo of actual weight, i.e. 20 euros per tonne of carried cargo	<ol style="list-style-type: none"> 1. Transit consignment; 2. Transfer; 3. Cargo consignment exempted by air carrier from paying transport service.

2.2. AIRPORT OPERATOR REPORTS

Airport operators shall submit to the Civil Aviation Agency daily and monthly reports on departing passengers, as well as cargo in civil air transport, on the forms determined by the Regulation.

2.2.1. Daily reports

Airport operators shall submit the following data to the Agency by electronic means on a daily basis:

- data on carried passengers on the form of the daily report on departing passengers carried in civil air transport, as well as
- data on carried cargo on the form of daily report on carried cargo in civil air transport.

Daily reports contain the required data for one day (the day of the flight) and are delivered by electronic means to the especially designated e-mail address of the Agency which is previously notified to the airport operator or the person of the airport operator in charge of submitting these reports to the Agency.

The PAX/CAR employee enters the data from the daily report into the application of CAA charge.

If the airport operator subsequently identifies an error in the already submitted daily reports, it is necessary to immediately notify the PAX/CAR employee, and no later than before submitting the monthly report, in order to correct the data from the daily report.

Daily reports are the basis for preparing the monthly report of the airport operator.

2.2.2. Monthly reports

Airport operators shall submit to the Agency monthly data on departing passengers and carried cargo in civil air transport, as well as on the number of passengers or the quantity of cargo for CAA passenger and CAA cargo charge paid in advance by the airport operator, on the following forms:

- 1) form of monthly report on departing passengers carried in civil air transport;
- 2) form of monthly report on carried cargo in civil air transport;
- 3) form of a monthly report on departing passengers carried in civil air transport for the paid CAA passenger charge;
- 4) the form of the monthly report on the carried cargo in civil air transport for the paid CAA cargo charge.

The relevant reports contain the required data for the entire accounting period, which includes a calendar month, and they are submitted to the Agency, certified and signed by the responsible person of the airport operator.

The data presented in the monthly report shall correspond to the sum of data from the daily reports, which refer to the given accounting period (calendar month).

The compliance of daily and monthly reports is controlled by PAX/CAR employee based on the CAA charge Application.

If the PAX/CAR employee identifies a discrepancy between the data from the daily and monthly report, he will immediately notify the airport operator with a request to reconcile the data, so that the issuance of bill can be performed.

2.3. INSTRUCTIONS FOR COMPLETING THE AIRPORT OPERATOR REPORT FORM

2.3.1. General data of the report

All airport operator report forms include the entry of general data, as follows:

- *Airport*: name of the legal entity - airport operator;
- *Address*: address of the legal entity - airport operator;
- *TIN*: tax identification number of the airport operator;
- *IATA code*: standard airport operator code;
- *Year*: four-digit code (YYYY) of the business year to which the data contained in the report refer;
- *Month*: a two-digit code (MM) of the calendar month to which the data contained in the report refer;
- *Day*: a two-digit code (DD) of the calendar day to which the data contained in the report refer.

2.3.2 Data on the number of passengers

The report on the number of departing passengers in civil air traffic, in addition to general data, includes the entry of the following data:

- Air carrier: name of the air carrier;
- TIN: tax identification number of the air carrier;
- Number of departing passengers:
 - *from the airport (1)*: number of departing passengers carried on a respective flight, ie. a passenger starting from the airport of operator submitting the report;
 - *transfer (2)*: number of transfer passengers carried (passengers arriving with one flight number at the transfer airport and continuing the journey with another flight number) on a respective departing flight, not including passenger categories ID00 and INF;
 - *transit (3)*: number of transit passengers carried (passengers who do not change the flight number during their journey from the airport of departure to the airport of destination) on a respective departing flight, not including passenger categories ID00 and INF;
 - *ID00 and INF (4)*: total number of carried passengers with service tickets with ID00, i.e. with tickets issued free of charge on a respective departing flight (ID00) and total number of carried children up to two years on a respective departing flight (INF);

- Total number passengers to be charged (5): number of departing passengers in civil air transport for which the CAA passenger charge is prescribed to be paid (does not include categories of passengers that are exempt from payment).

2.3.3. Data on quantity of cargo carried

The report on cargo carried in civil air transport (actual weight in kilos i.e. tonnes), in addition to general data, includes the entry of the following data:

- Air carrier: the name of the air carrier;
- TIN: tax identification number of the air carrier;
- Quantity of carried cargo in kilos/tonnes:
 - *From the airport (1)*: the quantity (expressed in kilos/tonnes) of cargo on a RESPECTIVE DEPARTING flight, starting from the airport of operator submitting the report;
 - *Transfer (2)*: the quantity of cargo in transfer at a respective airport, expressed in kilos/ tonnes (cargo arriving with one flight number at the transfer airport and continuing transport with another flight number; not including cargo exempt from payment for the transport service);
 - *Transit (3)*: the quantity of cargo in transit, expressed in kilos/tonnes (cargo that does not change the flight number during its transport from the airport of departure to the airport of destination; not including cargo that the air carrier exempted from paying for the transport service);
 - *Exempt (4)*: the total quantity of cargo, on a respective departing flight starting from the airport of operator submitting the report, which is exempt from payment of the transport service and the airport fee, expressed in kilos/tonnes;
 - *Total cargo to be charged*: the total quantity (expressed in kilos/tonnes) of cargo on a respective departing flight, for which the CAA cargo charge is prescribed to be paid (does not include cargo categories that are exempt from payment of this charge).

2.3.4. Data on number of passengers and cargo for the paid CAA passenger and the CAA cargo charges

In addition to entering the general data listed in the item 2.3.1 of this instruction, as well as data on the number of passengers or the quantity of cargo carried for the paid CAA passenger and CAA cargo charges listed in items 2.3.2 and 2.3.3 of this instruction, the reports in relation to the paid CAA passenger and CAA cargo charges also include the entry of the following data:

- Number: number of GHLCN list;
- Date: date of the GHLCN list (the date when the departing flight for which the airport operator charged the CAA passenger and/or CAA cargo charge).

2.4. ISSUANCE OF INVOICES FOR CAA PASSENGER AND CAA CARGO CHARGE

The issuance of invoices for the CAA passenger and the CAA cargo charge can be performed only if there is a reconciliation of daily and monthly reports.

The Agency issues a separate invoice for each air carrier (aircraft user) or airport operator for the CAA passenger or the CAA cargo charge for the entire accounting period containing a calendar month, together with the attachment, for the purpose of payment of the calculated amount of the CAA passenger or the CAA cargo charge to the account of the Agency.

The invoice, together with the attachment that forms an integral part of it, is issued once a month based on the data from the report of the airport operator. The invoice shall be submitted for payment to air carriers, i.e. airport operators, as soon as possible, and no later than 5 days from the day of preparing the reconciled invoice.

2.4.1. Invoice form

The invoice for the CAA passenger or the CAA cargo charge shall contain complete instructions for payment to the foreign currency or current account of the Agency, depending on whether it is issued to a foreign or domestic air carrier or airport operator, as well as possible corrections of errors identified from the previous accounting period (credit note).

The invoice shall contain the following information:

- 1) name, address, telephone and fax number, tax identification number and e-mail address of the issuer of the account (Agency);
- 2) name, address and tax identification number of the payer/recipient of the account;
- 3) invoice number, date and place of issuance, as well as deadline for payment;
- 4) period of turnover for which the invoice is issued (accounting period/calendar month);
- 5) name of a charge and quantity, i.e. traffic volume (passengers/kilos) for the entire accounting period, i.e. calendar month;
- 6) the total amount for payment based on the turnover of the period, the amount of the credit note, if any, and the total amount for payment per account;
- 7) instructions for payment in the case of issuing invoices to domestic air carriers, the account number of the Agency to which payment can be made per invoice, as well as information of the payment number (invoice number), or in the case of issuing invoices to foreign air carriers, complete instructions for payment to the Agency's account;
- 8) information on the procedure in case of late payment on the issued invoice.

The identified adjustment i.e. error in the number of passengers or the quantity of cargo from the previous accounting period is stated in the invoice form only in the total amount for reduction in euros, it is added to the amount for payment for turnover of the period for which the invoice is issued, and results in reduction or increase of total amount for payment of the relevant charge for the accounting period.

2.4.1.1. Invoice for air carriers

The Agency issues invoices to air carriers for the CAA passenger or CAA cargo charge in euros (EUR), applying the amount of the charge prescribed by the Regulation.

The invoice for the CAA passenger and the CAA cargo charge is issued on the basis of air carrier flight data from the airport operator's report for the respective calendar month (CAR1 report and PAX3 report).

2.4.1.2. Invoice for airport operators

The Agency issues invoices to airport operators for the paid CAA passenger or CAA cargo charge in euros (EUR), applying the amount of the charge prescribed by the Regulation.

An invoice for the CAA passenger charge and for the CAA cargo charge is issued on the basis of data from the airport operator's report for the respective calendar month (CAR-AHCN2 report and PAX-AHCN4 report).

2.4.2. Invoice Attachment Form

The invoice attachment contains a presentation of data for the entire accounting period (turnover) for which the invoice is issued for all categories of passengers, i.e. cargo on the basis of which the calculation for payment of CAA passenger or cargo charge was made, not including data in relation to the credit note.

The data from the invoice attachment shall correspond to the data from the monthly report of the airport operator that correspond to the daily reports concerned.

All discrepancies of data from monthly reports shall be resolved in communication with the airport operator, and before issuing invoices.

2.4.2.1. Invoice Attachment for Air Carriers

Invoice Attachment of an air carrier is a list of all flights of an air carrier concerned for a respective calendar month prepared on the basis of daily reports of the airport operator for the accounting period.

Attached to the invoice for the air carrier for the CAA passenger charge there is a list/ chronological overview of flights of air carriers operated during the accounting period (calendar month) with all categories of departing passengers, which stems from the daily/ monthly report of the airport operator on the number of departing passengers in civil air transport.

Attached to the invoice for the air carrier for the CAA cargo charge there is a list/ chronological overview of flights of air carriers operated during the accounting period (calendar month) with all categories of cargo carried, which stems from the daily/ monthly report of the airport operator on the number of cargo carried in civil air transport.

2.4.2.2. Invoice Attachment for Airport Operators

The Invoice attachment of the airport operator is the report of that airport operator according to the GHLCN lists.

Attached to the invoice issued to the airport operator for the CAA passenger charge there is a Report of the airport operator on the number of departing passengers carried in civil air transport for the paid CAA passenger charge for the respective accounting period (calendar month).

Attached to the invoice to the airport operator for the CAA cargo charge, there is a Report of the airport operator on the cargo carried in civil air transport for the paid CAA cargo charge for the respective accounting period (calendar month).

2.5. PAYMENT OF THE CAA PASSENGER AND THE CAA CARGO CHARGE

Based on the issued invoices, air carriers (aircraft users) and airport operators shall pay the CAA passenger and CAA cargo charge according to the payment instructions specified in the invoice issued by the Agency.

When paying, air carriers (aircraft users) and airport operators shall use instructions for payment from the account and they will specify the account number in the transfer order that is the basis of the payment.

2.5.1. Decrease of the amount owed (credit note)

If, after issuing the invoice, the air carrier or airport operator identify an error in the number of passengers or the quantity of cargo, air carriers (aircraft users) or airport operators are obliged to pay the total amount owed from the invoice, and they shall inform the Agency in written about any disputed amount at the latest on the day of payment of the amount owed.

Upon receipt of written notice from the air carrier or airport operator on the identified error in the number of passengers or the quantity of cargo, the PAX/CAR employee begins the process of reconciliation of data on the disputed number or quantity.

Compliance of the disputed number of passengers or the quantity of cargo shall be done within 15 days of receiving notification on the identified error.

If it is confirmed in the compliance procedure that there is an error in the number of passengers or the quantity of cargo carried on the basis of which the invoice for the CAA passenger or the CAA cargo charge was issued, the Agency will make an adjustment by issuing a credit note in favor of the debtor, which will be taken into account when calculating the amount owed for the next period.

The invoice form contains only information on the amount of the credit note in euros.

Neither the invoice form nor the invoice attachment contain information on the disputed number of passengers or the quantity of cargo, on the basis of which the calculation of the credit note for the period concerned was performed.

2.5.2. Non-payment of the CAA passenger or the CAA cargo charge

In case of non-payment of due invoices for CAA passenger and CAA cargo charges, the Agency reserves all rights to charge in court, in accordance with applicable regulations, its due and unpaid accounts receivable.

After expiry of a period of 45 days from the date of issuance of the invoice, the PAX/CAR employee shall by electronic means send a warning for debt settlement as per the issued invoice to the air carrier or airport operator who has not paid the invoice for the CAA passenger or the CAA cargo charge.

If the air carrier or airport operator does not pay the debt as per the issued invoice within the prescribed period, neither upon receipt of the warning referred to the previous paragraph of this instruction, after 30 days of the date of issuing invoice the PAX/CAR employee will submit all necessary documentation to the Legal Service which is responsible for conducting court proceedings within the CAA, in order to deliver a warning to the air carrier or airport operator for settling the debt before the enforcement and, in case of non-payment, conducting the procedure of debt charge in court.

2.5.3. Late payment of the CAA passenger or the CAA cargo charge

The Agency has the right, in case of late payment, to charge legal default interest, for each day of late payment, in accordance with the legal regulations of Montenegro.

The calculation of legal default interest and the issuance and delivery of interest sheets is performed by the Financial Service.

2.6. OBLIGATIONS AND DEADLINES

2.6.1. Obligations of an air carrier

The air carrier shall include the cost of the CAA passenger or CAA cargo charge in the price of airline tickets, i.e. the price of the cargo transport service.

Based on the received invoice of the Agency, the air carrier shall pay the invoice for the CAA passenger and the CAA cargo charge.

2.6.2. Obligations of and airport operator

The obligations of the airport operator in relation to the CAA passenger and the CAA cargo charge are as follows:

- 1) records of the number of departing passengers and the quantity of cargo carried by categories from the forms determined by the Regulation;
- 2) charge of the CAA passenger and the CAA cargo charge to certain air carriers based on the GHLCN list;
- 3) submission of the report to the Agency on the number of departing passengers and the quantity of cargo carried on the report forms determined by the Regulation;

- 4) payment of invoices for collected CAA passenger and the CAA cargo charges according to GHLCN lists.

2.6.3. Deadlines

Airport operators shall submit to the Agency daily reports (by electronic means) according to the dynamics determined with the Agency, and no later than:

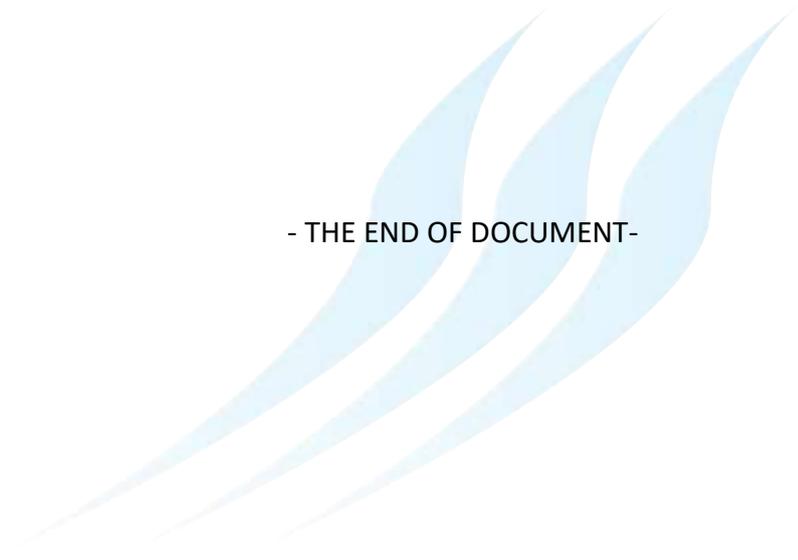
- 13th day of the month for the period of turnover 01-10 days in that month;
- 23rd day of the month for the turnover period 11-20 days in that month;
- 3rd day of the month for the turnover period from the 21st day to the end of the previous month.

Airport operators shall submit a monthly report to the Agency within seven days from the expiry date of the accounting period (calendar month).

Air carriers (aircraft users) and airport operators shall pay the CAA passenger and the CAA cargo charge within 8 days from the date of issuance of the invoice.

It is considered that the Agency has received the payment on the day of when the amount due is on the current or foreign currency account specified in the payment instructions.

In the event that there is a basis for decreasing the amount owed from the account, the air carriers (aircraft users), i.e. the airport operators shall notify the Agency on the disputed part no later than the day of payment of the debt from the account. The reconciliation on that basis shall be performed within 15 days from the day of receipt of the notification.



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