
**Route Support
Route Support Scheme (RSS)
Short-Haul Operations**

Valid from January 1st 2011

1: Introduction:

At Shannon Airport we are committed to developing new routes and services for our customers and to this end we have developed the schemes outlined below to assist in the continuing development of the airport network.

It is our intention to sustain and expand the range of routes available for customers. As a commercial company, we wish to encourage the development of services which meet our customers' requirements, and in this regard we will support the commencement of new routes and the expansion and growth of existing services at the West of Ireland gateway.

Shannon Airport believes that there is strong potential to add more short-haul operations onto the Shannon network across Europe. Note that the definition of a short-haul route for the purposes of this scheme is one that is less than or equal to 2,500 Nautical Miles from Shannon Airport. We have introduced two levels of incentives to encourage the development of both year round and seasonal services. The components of this scheme are set out below.

2: Scheme Outline

An airline that initiates a new route, in accordance with the scheme criteria, may benefit from discounts on qualifying airport charges at Shannon Airport. These qualifying airport charges (APCs) are (i) passenger service; (ii) security; (iii) aircraft parking; (iv) airbridge use; and (v) runway movement charges.

Airport charges do not include additional charges which may be introduced by Shannon Airport to comply with new or amended national or European legislation, charges introduced by the Commission for Aviation Regulation, or charges relating to separate services offered by Shannon Airport, for example; Passengers with Reduced Mobility, Self Service Kiosk Charge, Check-in Desk Rental Charges, Customs and Border Protection or any environmental-related charge.

3: Levels of Route Support

a) Discounts on Year Round Services

Approved routes operating on a year round basis, are afforded the following discounts for Year 1 to Year 3 of the scheme:

Year	Discount on APCs for Year Round Services
1	100% for the first 12 months
2	75% for the subsequent 12 months
3	50% for the subsequent 12 months

b) Discounts on Seasonal Services

Approved routes operating on a seasonal basis, are afforded the following discounts for Year 1 to Year 3 of the scheme. The start and end date of the respective summer and winter seasons are determined in accordance with the International Air Transport Association (“IATA”) scheduling systems.

Year	Discount on APCs for Seasonal Services
1	60% for the first season of operation
2	40% for the subsequent season
3	20% for the subsequent season

The Scheme shall operate for the duration of three years, commencing on the date of the airline’s first flight on the New Route (the “Commencement Date”) and ending on the expiry of three years from the Commencement Date (the “Termination Date”). Following the Termination Date, Qualifying Charges will be charged at the standard rate as published by Shannon Airport on the Termination Date.

4: Route Approval:

Subject to approval, a route may qualify as a ‘New Route’ under this scheme if it meets the following criteria:

- a) The New route is a short-haul route which originates or terminates at an airport which is less than or equal to 2,500 nautical miles from Shannon Airport.
- b) The proposed route commences operations on or after January 1st 2011.
- c) The minimum frequency requirement is return services on two days per week on a year-round or seasonal basis.
- d) The proposed route is one that will increase the network coverage and traffic base at Shannon Airport. This means that the route must give access to a market not adequately served directly, is expected to increase the overall number of passengers using the airport and is of commercial benefit to Shannon.
- e) The route has not been served by any airline within the 12 months prior to the Commencement date at a greater frequency than 2 return services per week on a year-round or seasonal basis. Subject to exception (as set out in section 4(f)).
- f) Where a route has been served within the 12 months prior to the Commencement Date at a frequency greater than 2 return services per week, on a year-round or seasonal basis, this route may be considered for approval under the Scheme if Shannon Airport considers that the New Route provides a significant commercial benefit.
- g) Where section 4(f) applies, the airport authority reserves the right to decrease the discount levels afforded under the Scheme. The level of discount will be determined by Shannon Airport and will be assessed on the incremental value of the New Route to the overall route network at Shannon Airport. The evaluation criteria are outlined in Appendix 1 of this document “Abandoned Route Evaluation Matrix - Short-Haul.” In instances where an operator re-enters a route previously abandoned by the same operator within the previous 12 months for reasons contrary to the objectives of the Scheme, the route will not be considered a new route.
- h) The proposed route is promoted by the relevant airline as a new destination i.e. a route which has not previously been served from Shannon Airport by any airline.
- i) The proposed route is a non-stop service from Shannon Airport. Services operating with a commercial transit stop at an airport already served from Shannon Airport may, in certain circumstances, be awarded a discount on Qualifying Charges under the Scheme.
- j) Seasonal routes must operate for the full IATA season (details of which are available from the IATA website). However, Shannon Airport reserves the right to approve a route that operates for a substantial element of an IATA season. Such routes may be considered and approved where the airport authority considers that the relevant route provides a significant commercial benefit to Shannon Airport which is not being provided by any other service.

- k) Where traffic on a New Route is generated by reducing capacity on other routes with no obvious net economic benefit to the airport/airports, approval will not be granted under the Scheme. This means that any new services which involve switching capacity from one service to another, or from one airport controlled by DAA to another, will not generally qualify for support under the Scheme.
- l) The schedule timings proposed and operated have been reviewed and approved by the airport authority.
- m) The airline has the requisite traffic rights to fly the proposed route/schedule.
- n) Where the airport authority believes that in light of all relevant criteria, the New Route shall not provide any significant commercial benefit, it reserves the right to refuse to approve a New Route under the Scheme. Shannon Airport's decision on these matters is final.

5: Application & Operation of the Scheme

Application Procedure

- a) Airlines must lodge written proposals in the Shannon Airport standard format (attached as Appendix 2) at least 1 month before the Commencement Date.
- b) Applications will not be accepted before 6 calendar months prior to the Commencement Date of the New Route. Applications sent in advance of the 6 calendar months will be considered only as expressions of interest, and will not confer any qualifying rights on the operator.
- c) If two or more airlines make an application within the same time frame in relation to the same route, approval will be given to the operator with the earliest Commencement Date, where the route proposals are similar in terms of capacity and frequency proposed.
- d) If two or more airlines make an application within the same time frame in relation to the same route with the same Commencement Date, approval will be given to the operator whose application was received first, where the route proposals are similar in terms of capacity and frequency proposed.

Approval Letter

- e) An airline whose proposal has been accepted by Shannon Airport under the terms of this scheme will receive a Route Support Approval letter from the Director-Strategy, Regulation and B2B to this effect (the "Approval Letter"). This letter constitutes an acceptance by Shannon Airport of the route proposal, subject to the airline operating in full accordance with its route proposal to Shannon Airport. No operator may be considered to be approved for support under the Scheme until it has received such an Approval Letter.
- f) Once the Approval Letter has been issued in respect of a particular route, no other airline will be eligible to receive support under the terms of the Scheme for the route concerned as long as the approved airline is compliant with the terms and conditions of the Scheme.
- g) If an airline, which has received an Approval Letter, fails to commence operations on the Commencement Date as set out in the Approval Letter, such approval shall automatically expire and be invalid unless Shannon Airport otherwise consents in writing.

Payment of Discount

- h) The discount on Qualifying Charges for the Approved Route is set off against the customers account. In this regard the operator is levied at the discounted rate.
- i) The approved New Route will be afforded discounted charges for the duration of its participation in the Scheme.

Application of Discount

- j) Airbridge charges will be applied for all airbridge-compatible aircraft occupying an airbridge-served stand whether or not the airbridge is used. The billed period for airbridge charging purposes will be the same as that used for aircraft parking charges i.e. it applies from the Actual Time of Arrival (landed time) to the Actual Time of Departure (airborne time) minus 15 minutes as recorded in the Shannon Airport Operations System databases.
- k) For the purposes of this scheme, discounted airport parking charges and discounted airbridge charges will mean a discount on parking and airbridge related to the departure movement on the qualifying route for a maximum period of 1.5 hours.
- l) Note that where aircraft parking period occurs fully or partly during the charge-free period defined as “night-time” in the Airport Charges at Shannon Airport Terms and Conditions, no further discounts on aircraft parking or airbridge will be given.
- m) For qualifying services, operation to/from a contact stand will be at the discretion of the airport authority, and availability of a contact stand cannot be assumed.
- n) If an airline alters its ticketed and/or operated scheduled timings, Shannon Airport must be notified. Approval may be withdrawn if the operator does not operate to the scheduled timings as approved by the slot coordinator and as notified by the operator in its original route support request.

6: Amendment or Termination of the Scheme

- a) Shannon Airport considers that an airline providing a New Route annually is more likely to contribute to the route network at Shannon Airport than a New Route operating seasonally. It is on this basis that where a year-round operation (similar in terms of capacity and frequency) is commenced by another carrier, during the ‘off-season’ of a seasonal route receiving route support, the year-round operation will be eligible for support. In turn, the seasonal operation will not receive support when it returns during the next operational season. Please note that only one carrier will receive support on each route.
- b) Where an approved New Route, which was being operated on a seasonal basis, is extended to operate on an annual basis the level of support shall be altered accordingly whereby discounts will be afforded annually. Where an annual route is reduced to operate on a seasonal basis, Shannon Airport reserves the right to offer the discount on the basis of a seasonal route in accordance with the terms of the Scheme. It is the responsibility of the operator to inform Shannon Airport of any such change.
- c) Where an operator fails to provide services on a seasonal route for a particular season its participation in the Scheme shall be deemed to have come to an end. Benefits under the Scheme will not apply to services provided on that route in future seasons.
- d) Qualifying seasonal operations will not receive support under the Scheme for the period during which services are not provided.

7: Deferral of Scheme Benefits

- a) In extraordinary circumstances if an airline receiving support is unable to comply with the terms and conditions of the Scheme, Shannon Airport may, if it considers the route to be of significant economic or strategic importance, allow the operator to continue to participate in the Scheme. In this instance, the route support will be deferred for such a time as it considers, at its sole discretion, necessary to ensure the continued viability of the route. The maximum period of deferral of support shall be 6 months from the last date on which the airline complied with the terms and conditions of the scheme. During the period of deferral the airline will be obliged to pay full airport charges. If the route support is reinstated the airline will receive the level of support that would have applied had it not been suspended.
- b) The airport authority may approve transferring the remaining portion of the Scheme from one route to another, on one occasion, during the duration of the three years and only if the airport authority decides that it is an appropriate commercial decision in the interests of the route network at Shannon Airport.

- c) If an airline reduces its operations on the route below the minimum requirement specified in 4 (c), approval under this scheme will be withdrawn immediately.
- d) The Scheme will apply or continue to apply only as long as an airline is fully compliant with the published Shannon Airport Terms and Conditions (available on the airport charges page at shannonairport.com), and specifically with respect to:
 - The payment of invoices for all airport charges and any other fees and services provided by the company to the airline, including adhering to credit terms in respect of all Shannon Airport invoices, unless the company, in its absolute discretion, shall otherwise determine.
 - The provision of information, whereby the airline is required to provide Shannon Airport with passenger, cargo and aircraft related information as outlined in the published Shannon Airport terms and conditions, sections 4.16 to 4.34 inclusive.
- e) Shannon Airport reserves the right to amend the terms of the Scheme at any time including the criteria for eligibility to participate in the Scheme. If Shannon Airport makes an amendment, it shall publish the amended scheme on its website located at www.Shannonairport.com. It is the operator's responsibility to keep informed of such updates. All changes to the document will be detailed in Appendix 3 "Register of Revisions."

Marketing Support Short-Haul Operations

Valid from January 1st 2011

1. Introduction:

The Shannon Airport Marketing Support Scheme (the “Marketing Support”) for short haul routes aims to assist operators in establishing their presence in new markets. The objective of the Marketing Support is to assist operators with marketing and promotional activities aimed at promoting new destinations and capacity.

2. Scheme Outline:

Shannon Airport may make marketing support available for the introduction of new direct services and additional new capacity from Shannon Airport. Such routes must meet certain criteria, as set out in this document, namely that the route which the airline is seeking support for (the “New Route/Capacity”):

- Has not been serviced within the past 12 months by any operator;
- Is consistent with Shannon Airport’s Route Development Strategy and
- Meets certain criteria required under the Marketing Scheme.

The New Route/Capacity may be assessed for approval in accordance with the Marketing Support Review Matrix (Appendix 4) to determine the potential level of marketing support. Based on this review, one of three levels of support may be available to the airline. The thresholds are outlined in the following table:

Band	Marketing Support
1	Up to €34,999
2	Up to €59,999
3	Up to €100,000

Note that all applications for marketing support will be reviewed in the context of the total marketing support budget at Shannon Airport.

3. Other Conditions

- a) Applications for marketing support will only be accepted if the proposal is set out on the standard application form (attached as Appendix 2) one calendar month before the Commencement Date (which is the commencement of operations on the New Route/Capacity). Where the expiry of one month following the Commencement Date falls on a non-working day, the closing date will be the next working day.
- b) Applications will not be accepted before 6 calendar months prior to the Commencement Date of the New Route/Capacity. Operator applications sent in advance of the 6 months will be considered only as expressions of interest in a route, and will not confer any qualifying rights on the operator.
- c) Continuing support under the Marketing Scheme is contingent on the operator cooperating fully with Shannon Airport’s slot coordinator.
- d) Where an operator’s route proposal does not meet the criteria listed in the marketing matrix (Appendix 4). Shannon Airport reserves the right to refuse to approve the route under the Marketing Scheme. The airport authority’s decision on these matters is final.
- e) Shannon Airport reserves the right to amend the terms of the Marketing Scheme at any time including the criteria for eligibility to participate in the Scheme. If Shannon Airport makes any amendment, it shall publish the amended scheme on its website shannonairport.com.

4. Notes:

- a) Marketing support cannot be netted by the operator against amounts owed to Shannon Airport.
- b) One-stop routes may, in certain circumstances, qualify for marketing support. Shannon Airport will determine the amount and duration of any such support on a case-by-case basis.
- c) Shannon Airport may provide marketing support for route development and other promotional activities. The airport authority will determine the amount and duration of any such support on a case-by-case basis.

Appendix 1: - Abandoned Route Evaluation Matrix - Short-Haul

Where a route has been served within the 12 months, prior to the Commencement Date, at a frequency greater than 2 return services per week on a year-round or seasonal basis, this route may be considered for approval under the Scheme if the airport authority considers that the New Route provides a significant commercial benefit to Shannon Airport. The level of discount will be determined by the airport authority and will be assessed on the incremental value of the New Route to the overall route network at Shannon Airport. The evaluation criteria are outlined below:

Abandoned Route Evaluation Criteria Matrix		
Weighting	Criteria	Detail
1	Key Business Route	Yes
		No
	Frequency of service proposed	>= 7 times a week
		>3 and < 7 times a week
		<= 3 times per week
	When route was abandoned	>10 months previously
		7-9 months previously
4-6 months previously		
1-3 months previously		
2	Applicant airline	Yes, airline is new to the proposed route
		No, airline was on the proposed route within last 12-month period*
	Route Detail	EU
		Non-EU
	Commercial Potential (e.g. Duty paid, Duty Free, DAA lounges used, Shop & Collect etc)**	High
		Medium
		Low
	Aircraft Seating Capacity	> 170 seats
		101-169
		50-100
0-49		
3	Tourism Potential (e.g. Proportion of foreign originating passengers, strong tourism links)**	High
		Medium
		Low
4	Capacity Origin	Redeployed from another DAA route
		New capacity
		Traffic switching from another airline

* In cases where an airline re-enters a route previously abandoned by the same airline within the previous 12 months (to the date of application), the route will not be considered a new route and will not receive approval for any discount award level.

** This list is simply indicative and therefore is not exhaustive

Based on the outcome of such a review, four levels of support are possible as outlined in the table below:

Band	Route Support for an Abandoned Route
1	80%, 60%, 40% over 3 successive years
2	60%, 40%, 20% over 3 successive years
3	40%, 20% over 2 successive years
4	20% for 1 year

Appendix 2:

Application for Route & Marketing Support Scheme
Short Haul Operations

Route Support Scheme - Short Haul		
Operator Name		
Billing Address		
Route Name		
Destination Airport Code	ICAO Designator	IATA Designator
Frequency of Operation Flights per week	Year Round	Seasonal
Aircraft Details	Aircraft Type	Aircraft Capacity
Commencement Date		
Scheduled Timings*	Scheduled Time(s) of Arrival at Shannon	Scheduled Time(s) of Departure from Shannon
Monday		
Tuesday		
Wednesday		
Thursday		
Friday		
Saturday		
Sunday		
Contact name		
Email Address		
Date		

*** Any changes of times to be notified to Shannon Airport**

All applications for route and marketing support can be submitted to apcadmin@daa.ie

Appendix 3: - Register of Revisions

Please find below the complete list of revisions since the introduction of the scheme on 1st January 2011.

Date	Section (Page Number)	Comment

Appendix 4: - Marketing Support Review Matrix - Short-Haul

The matrix below will be applied by Shannon Airport to determine whether the New Route/Capacity falls within the scope of the Marketing Scheme and if so, what band of marketing is available to the operator.

Route Support Scheme - Short Haul Marketing Support Review Matrix		
Weighting	Criteria	Detail
1	Network Development Potential	New Market
		Key Developing Market
		Existing Market
2	Route Detail	EU
		Non-EU
3	Capacity Origin	New capacity
		Redeployed from another DAA route
4	Country Served or Not Served	New Country
		Country already served
	Commercial Potential (e.g. Duty paid, Duty Free, DAA lounges used, Shop & Collect etc)*	High
		Medium
		Low
	Aircraft Seating Capacity	>170 seats
		101-169
		50-100
		0-49
	Tourism Potential (e.g. Proportion of foreign originating passengers, strong tourism links)*	High
		Medium
		Low
Seasonality	Year Round	
	Seasonal	
5	New or Existing Route	New Route
		Existing Route
6	Operator Commitment to Shannon (Aircraft base, office space, staff employed)*	High
		Medium
		Low
		Predatory Route entry

* This list is simply indicative and therefore is not exhaustive