

NEW ROUTE INCENTIVE

Isavia Ltd.
Keflavik Airport
Valid from April 1st 2024



INTRODUCTION

Isavia is willing to share the financial risk of establishing new routes with airlines by offering discounts on landing- and departure charges (as defined in sections 3.1 and 3.3 of the Airport Charges document) for routes that meet the route criteria below.

Current Airport Charges for Keflavik International Airport are available on the airport's website: www.isavia.is/aviation/charges-and-terms-of-service

NEW ROUTE INCENTIVE

The following discounts will apply on qualified routes:

Route Type	Discount period	Year 1	Year 2	Year 3	Year 4	Year 5
Long Haul	Summer	80%	60%	40%	20%	10%
	Winter	100%	80%	60%	40%	20%
Short Haul	Summer	75%	50%	25%		
	Winter	100%	75%	50%		

Table 1: Discount on Landing- and Departure Charges

Long Haul Destinations are all destinations outside geographic Europe apart from Greenland.

Short Haul Destinations are all destinations inside geographic Europe with the addition of Greenland.

Summer season is from 1st of April to 31st of October every year.

Winter season is from 1st of November to 31st of March the following year.

Passengers on routes qualified for the New Route Incentive cannot receive the Growth Incentive as well.

After the 3 or 5-year discount period expires, the full landing- and departure charges at the time will apply, as published by Isavia.

ROUTE CRITERIA

To qualify for the New Route Incentive, an airline must meet the following criteria:

- The route is considered a new route if it has not been served directly to/from KEF within the last 12 months on a regular basis.
- The new route must operate:
 - A minimum of 40 departures during the summer season.
 - A minimum of 20 departures during the winter season.

- Must be a scheduled service (flight types: J or G)
- The route must be a non-stop service. Services operating with a commercial transit stop, on the same through aircraft, at an airport already served from Keflavik Airport, may in certain circumstances be eligible for the New Route Incentive.
 - Routes operating with a commercial transit stop on a through aircraft and accepted as new routes by Isavia, are entitled to discounts in proportion to the percentage of point-to-point passengers to/from the origin airport (not to/from any intermediate points which the aircraft may stop) of the flight and Keflavik Airport.
- Isavia reserves the right to evaluate each market based on selected commercial criteria to determine whether a new destination is eligible to receive discounts.
- In cases where an operator re-enters a route previously abandoned by the same operator within the previous 12 months to gain commercial advantage, the route will not be considered a new route for the purpose of this New Route Incentive.
- If other airlines initiate service on a route to which another airline already receives the New Route Incentive, they are also entitled to a discount during the term of – and on the same terms and conditions as – the initial discount agreement.

CREDITING TERMS

The discount for the New Route Incentive is credited monthly.

The new route incentive will continue to apply provided an operator is fully compliant with the criteria determined by Isavia.

DISCLAIMER

Isavia reserves the right to not pay the incentive to airlines or companies towards which Isavia has overdue claims.

If an airline fails to meet its obligations to Isavia regarding payment of invoices or other matters the airline will be disqualified from receiving the discounts. Isavia reserves the right to cancel any incentives or modify eligibility criteria, cost levels or time periods applicable for the New Route Incentive. Any dispute arising from this agreement is to be settled in an Icelandic Court by Icelandic laws.

If Isavia makes any amendment to the incentive, it shall publish the amended incentive on the airport's website located at: www.isavia.is/aviation/incentives