CIVIL AVIATION AUTHORITY OF BANGLADESH HEADQUARTERS, KURMITOLA, DHAKA

No. CAAB/1703/37/AT/6365

Dated: September 2018

Subject: <u>Provisions of Operational Services to Non-schedule Flights by Foreign</u> Registered Aircraft into or in transit across Bangladesh.

1. Introduction

In pursuance of Rule-214 of CAR'84 to facilitate safe, secured, efficient and expeditious conduct of non-scheduled flights, the under mentioned procedures and policies shall be followed for approving and regulating the activities of Operational Services Provider(s) to the Foreign Air Operators/ Airlines/ Agencies intending to operate non-schedule flights by foreign registered aircraft into or in transit across Bangladesh.

2. Purpose

The purpose of this 'Air Transport Circular' is to prescribe the requirements, conditions and procedures to be followed for issuing Operational Services Provider License (OSPL) and regulating their activities of rendering Operational Services to the Foreign Air Operators/ Airlines/ Agencies intending to operate Non-schedule Flights by Foreign registered aircraft into or in transit across Bangladesh.

3. Applicability and Scope of the Circular:

3.1 This Air Transport Circular shall be applicable to all Bangladeshi Companies/ Enterprises/ organizations/ Firms and any other legal entities duly registered under the rules and regulations of the Government of Bangladesh, intend to hold or have held any License from CAAB to provide Operational Services to the Foreign Air Operators/Airlines/Agencies intending to operate Non-schedule Flights by Foreign registered aircraft into or in transit across Bangladesh.

3.2 Any Organization/Agency/Entity must possess a valid OSPL issued by CAAB to provide Operational Services to the Foreign Air Operators/Airlines/Agencies intending to operate Non-schedule Flights by Foreign registered aircraft into or in transit across Bangladesh.

3.3 To get clearance(s) for non-schedule flights and/or Operational Services, Foreign Air Operators/ Airlines or Principal Agent shall apply to CAAB through an Operational Service Provider, possessing a valid License from CAAB. Application for clearance of nonschedule flights, submitted to CAAB through an unauthorized company, agency or person shall be summarily rejected. However, it does not apply to the non-scheduled flights applied through diplomatic/government channel.

3.4 Following the provisions contained in Paragraph 10, Foreign Air Operator/ Airlines or its Principal Agent shall apply through only one OSPL holder to get Operational Services contained in paragraph-4.

Page 1 of 11

4. Types of Operational Services:

Any of the following services will be considered as operational services provided to the foreign air operators/airlines/agencies intending to operate Non-schedule Flights by foreign registered aircraft:

- a. Getting flight clearance(s),
- b. Preparing flight documentation(s),
- c. Flight planning,
- d. Providing ground transports for the crew and passengers to and from the aircraft,
- e Handling of excess baggage formalities,
- f. Handling of customs and immigration formalities etc.
- g. Assisting the operators to pay aeronautical/non-aeronautical bills/charges.
- h. Any other assistances/logistics, having prior approval of CAAB, for the safe, efficient & expeditious conduct of the flight.

5. Definition of Schedule and Non-schedule flights:

- a. Schedule Revenue Flights: Flights scheduled and performed for remuneration according to a published time table, or so regular or so frequent as to constitute a recognizably systematic series, which are open to direct booking by members of the public; and extra section flights occasioned by overflow traffic from scheduled flights.
- b. Non-schedule Revenue flights (excluding on-demand flights): Charter flights and special flights performed for remuneration other than those reported under Scheduled flights. They include any items related to blocked-off charters and exclude air taxi, commercial business aviation or other on-demand revenue flights. [Ref: ICAO Doc 7278].

6. Application for OSPL and processing the application:

6.1 Application for obtaining license to provide one or more operational services listed in Paragraph-4, shall be made to Chairman, Civil Aviation Authority of Bangladesh, Headquarters, Kurmitola, Dhaka-1229, at least 60 days before the proposed date of providing the services, in the prescribed form attached in 'Annexure A' with all necessary documents and applicable fees.

6.2 Air Transport section of Directorate of Flight Safety and Regulations shall scrutinize the application in respect of all the conditions for provision of Operational Services, submitted documents, information, fees/charges/deposits etc. and, if satisfied, shall forward the application to the Director (Flight Safety & Regulations) to carry out an inspection to ensure the requirements in Paragraph-8.4.

6.3 After being satisfied that all the conditions and requirements have been fulfilled, Director (Flight Safety & Regulations) will forward the application for the consideration by Chairman, CAAB. The applicant will be communicated the decision of CAAB for onward action.

7. Validity of License:

7.1 If not cancelled, suspended or terminated for any breaches of conditions mentioned in this circular for providing the Operational Services, the validity of Operational Services Provider License (OSPL) shall be **3 (Three) years** with effect from the date of its first issuance. The License is renewable for a period of 2 (two) years on fulfillment of required conditions.

Page 2 of 11

7.2 CAAB reserves the right to seek any relevant information, clarification and inspect the activities of the available facilities/logistics for providing such services, at any time to satisfy itself that the company continues to fulfill all the requirements for retaining the operating License issued to them.

8. Pre-qualification for Application of License

8.1 Eligibility

The applicant intending to get license to provide the operational services to nonschedule flights by foreign registered aircraft shall fulfill the following requirements:

a. The organization/company/enterprise/entity/agency shall be formally registered with the Joint Stocks Companies and Firms in accordance with the rules and regulations of Government of Bangladesh.

b. Shall be owned by Bangladeshi national(s) and at least one of the owners shall have minimum 3 (Three) years' experience in flight operation activities.

C. In case of interested foreign investors, a Joint Venture is required where a minimum of 51% shares of the company must be held by Bangladeshi person(s). In this case, the Chairman or the Managing Director has to be a Bangladeshi national throughout the tenure of their operation as an OSPL holder and one of the Bangladeshi Director/Partner shall have a minimum of 3 (Three) years' experience in flight operation activities.

8.2 Requirement of Financial Solvency

For financial solvency, the applicant company/organization must have an annual turnover of minimum BDT 25,00,000/= (Twenty Five Lac) in last 3(three) years. Certificate of Financial Solvency with proper documents, obtained from one or more Scheduled Bank(s) of Bangladesh must be provided with the application to confirm the turnover.

8.3 Requirement of Technical and Operational personnel

The company shall have at least the following technical and operational personnel:

- a. In case of flight documentation and planning services to be provided, the company shall have at least 1 (One) Flight Operations Officer (FOO) having valid license from CAAB.
- b. In case of provision of other types of services, the company shall have adequate number of trained and license holder personnel as deemed necessary for providing each intended services.
- c. At least one qualified personnel for the management of accounts.

8.4 Requirement of office, equipment and communication facilities

8.4.1 The applicant shall have One Principal office and/or one operational office suitably situated in Bangladesh.

8.4.2 A committee of CAAB officials, headed by Deputy Director (Air Transport), shall inspect the office facilities before issuing/renewing the OSPL or at any time to monitor & regulate their activities.

8.4.2 Minimum equipment and communication facilities to be available in the office are:

- a. One landline telephone with capability of making international calls;
- b. One dedicated Fax machine;

Page 3 of 11

- c. Computer(s) with access to internet for communication;
- d. Web page of the Company having all necessary information and links;
- e. Radio Communication Equipment, if required, certified by BTRC.

8.4.3 At least one person, detailed as coordinator, must be made available for 24 hours on telephone. The name and telephone number of the coordinator must be informed to CAAB and published in their website.

9. Information and documents to be submitted

Application shall be submitted to Chairman, Civil Aviation Authority, Bangladesh in two sets, at least 60(sixty) days prior to start the intendent business, as per the prescribed format in Appendix- A.

The following information and documents shall be submitted along with the application:

- 1) Full name and address of the company with Telephone number, Fax, email, web etc.
- Details of the Applicant (Owner/Chairman/CEO) with National ID number, Color PP size Photograph, addresses (permanent and temporary), Telephone, Fax, email, web etc. Photocopy of National ID is to be attached.
- Details of the Directors/ Partners with National ID number, Telephone, Fax, email, web etc. as applicable. Photocopy of National ID is to be attached.
- 4) Nature of the Organization (Private/Private Limited/Public Limited etc. as applicable) with a copy of the Registration certificate issued by the office of the Registrar, Joint Stocks Companies & Firms, Bangladesh, in the name of the company.
- 5) Police verification report for all staff on the security point of view.
- 6) Financial information:
 - a) Paid up capital of the company.

b) Authorized capital of the company with documentary evidence of financial support/status of the company/firm and a copy of the latest audited Balance sheet or Income Tax Clearance certificate.

- (c) Bank Solvency Certificate as required in Paragraph 8.2.
- Certificate/ Clearance from Bangladesh Bank and/or appropriate government agencies for handling foreign currencies.
- Organizational Structure of the company with details of professional personnel employed by the company.
- Aviation experience (worked in any field of aviation for at least one year) of the personnel employed. License/ Certificates of experience are to be attached.
- 10) Proposed places for business, with existing/ planned venues from where the services will be provided.
- 11) Details of equipments and facilities available for providing the service(s).
- 12) Pay Order of the Application Fees.
- 13) Details of other business of the Company, if any.
- 14) An undertaking, signed by the Chief Executive of the company, that the information submitted by the Company are correct and that the CAAB regulations and Government rules, in force and revised time to time, shall be followed in providing the Operational Services under OSPL.

Page 4 of 11

10. Conditions for getting non-schedule flight clearance(s) & providing the Operational Services:

10.1 A valid OSPL holder shall enter into an agreement with the Operator/Airlines or its Principal Agent intended to get Operational Service(s). The Agreement shall include at least the following items:

- a. Details of both the parties;
- b. Types of services to be provided;
- c. Special Terms and conditions for providing/getting the Service(s).
- d. Validity of the contract, in terms of period of time and/or number of operations;
- e. Agreement Termination events and procedure.
- f. Any other relevant information;

g. The contract shall be signed by the appropriate authorized personnel of both the parties, in presence of at least one witness from each party. Full name, designation and address of all the signatory shall be clearly written;

10.2 Copy of each such Agreement shall be submitted to the Chairman, CAAB (Attention: Director (Flight Safety & Regulations).

10.3 If an Operator/Airline or its Principal Agent, during the tenure of its contract with an OSPL holder, due any reason, wants to get services from another OSPL holder, it shall formally terminate the contract and enter into a fresh contract with the other OSPL holder. OSPL holders will be liable to ensure that all financial/legal obligations of both the parties are settled before termination of the agreement between them. CAAB will bear no responsibility of the conditions/obligations contained in their agreement and that all financial dues to CAAB shall be the responsibility of OSPL holder concerned.

10.4 Copy of the letter of termination of contract shall be submitted to the Chairman, CAAB by the OSPL holder as soon as possible.

10.5 Before submitting to CAAB, the OSPL holder must be satisfied himself about the validity and authenticity of the documents/information submitted by the Operator/ Airlines/ Agent for the flight clearance(s). OSPL may be suspended/cancelled if it becomes evident that invalid/fake documents are submitted, or information are suppressed purposefully by the OSPL holder to get the flight clearance(s).

10.5 The concerned OSPL holder shall be liable to ensure the payment of all Aeronautical, Non-aeronautical and other relevant charges/fees of CAAB, applicable for the non-scheduled flight(s) for which it awarded clearance and handling permission, in due time. Such charges for Landing flights shall be paid on the spot before submitting departure flight plan(s) and charges for over flight shall be paid within 30 (Thirty) days from the submission of the bill. Subsequent action shall be taken as stated in Paragraph 11.2.1 & 11.2.2 to recover the unpaid amounts of bills/dues.

10.6 Concerned OSPL holder shall bear the same responsibility as of the Operator/ Airlines concerned, for any type of complexity for the breaches of CAAB rules/regulation or the laws of Bangladesh, during/after the operation of the non-scheduled flight(s).

10.7 By the month of August in every calendar year, the OSPL holder shall submit the updated/renewed trade license of his company/organization to the office of the Director (Flight Safety and Regulation). The request for flight clearance(s) and/or the issuance of Airport Security passes may be suspended till the submission of the updated Trade License.

Page 5 of 11

11. Fees, Security deposit, Advance Deposit, Duplicate license fees and surcharges and/or any others payment(s) demanded by CAAB:

11.1 Application Fees

Application Processing fee for Operational Service Providers License (OSPL) shall be **BDT** 20,000 (Twenty Thousand) only, non-refundable.

11.2 License Fees, Security deposit and Advance deposit:

Having satisfied with the inspection report and the submitted documents, the application for OSPL may be approved by Chairman, CAAB and the applicant will be informed in writing by the office of the Director (FS&R) to pay the following amounts within 15(fifteen) working days of issuance of the letter:

- A. "License fees" BDT 4,00,000/= (Four Lac), non-refundable;
- B. "Advance Deposit" (Adjustable with dues of CAAB as per paragraph 11.2.1 below and the balance amount is refundable on closure of the business) amounting to BDT equivalent to US\$ 25,000(Twenty Five Thousand) only.
- C. "Security deposit" (Adjustable/refundable on closure of business) amounting to BDT equivalent to US Dollar 50,000/= (Fifty Thousand).

11.2.1 Deduction and Replenish of Advance deposit

In case of failure in payments of CAAB bills/dues within the due date, the billed amount shall be debited from the Advance deposit without prior notice. Written notice shall be served for replenishing the Advance deposit and the deficit amount of the Advance deposit shall be deposited by the concerned OSPL holder within the next 15(Fifteen) days of notice. Failing to replenish the amount within the deadline, concerned billing section will inform Directorate of Flight Safety & Regulation to cease the issuance of flight permission. In this case, the flight permission will be ceased without notice and on receipt of the replenish amount to maintain the level of Advance deposit, seized flight permission will be released and continued. However, the recurrent incident of the same type may lead CAAB to consider for the suspension of OSPL.

11.2.2 Security deposit

The amount of Security Deposit, shall be permanently held with CAAB during validity period of the OSPL. Any outstanding CAAB dues over and above the limits of Advance Deposit shall be adjusted from Security deposit without any prior notice.

The outstanding dues mean default in payment of the CAAB bills (aeronautical and/or non-aeronautical etc.) within the due date.

Having informed from the concerned section/unit about the deficit in Security Deposit, written notice shall be served from the Directorate of FS&R to the concerned OSPL holder for replenishing the Security deposit & the Advance Deposit within 15 (Fifteen) days of the notice. Failing to replenish Security deposit & the Advance Deposit, the Directorate (FS & R) will cancel the OSPL without any other notice and the cancellation of OSPL will result in disqualification to get the OSPL for the entity in future. Legal actions will be started against the OSPL holder for unsettled dues of CAAB (if any).

11.3 Fees to issue a Duplicate License

Application fees for Issue of Duplicate License shall be BDT 20,000/= (Twenty thousand) only, non-refundable.

Page 6 of 11

11.3.1 Requirements for issuance of Duplicate License

Where the holder of a OSPL has misplaced/lost his license due to an unavoidable circumstances, an authorized person of the Service Provider shall apply to the Chairman, CAAB (Attention: Director, Flight Safety & Regulations) for issuance of a Duplicate License. The following documents shall be attached with the application:

- A. Attested copies of police report (FIR) regarding the loss of Certificate,
- B. Copies of press notices issued in two leading newspapers,
- C. Pay Order of payment of the Duplicate License fees.

Note: In case, the license is mutilated and rendered unusable, the applicant shall attach only the copy of previous license.

11.4 License renewal Fees

Fees for renewal of license shall be BDT 2,00,000 (Two Lac) only, non-refundable in the form of pay order.

11.4.1 Renewal of License

The License is renewable on expiry of the current/valid License and on fulfillment of the conditions applicable for the Operational Service(s). An authorized person of the Service Provider shall apply to the Chairman, CAAB (Attention: Director, Flight Safety & Regulations) for renewal.

The License is renewable for 2 (two) years on fulfillment of the following conditions:

- a. The License holder shall apply to the Chairman, CAAB (Attention: Director, Flight Safety & Regulations) for renewal on Company's letterhead along with prescribed form attached in 'Appendix A' at least 45 (Forty Five) days prior to expiry the License.
- b. Before submitting the application, the OSPL holder shall ensure that there are no outstanding dues against them to CAAB.
- c. The performance of the OSPL holder may be assessed by CAAB Officer(s) detailed by Director (FS & R) and the renewal application will be processed after getting satisfactory report.
- d. No application for renewal of License shall be entertained expiry of the License. Application for a new/fresh OSPL shall be submitted if the current license is not renewed in time.
- e. The License-holder shall have no right to continue the privileges of the License before renewal unless he is able to justify such delay to the satisfaction of CAAB. In such case, the License may be processed for renewal. Meanwhile, Chairman, CAAB may grant extension in the validity of the License for exercising the privileges for a period not more than 60 (Sixty) days.

11.5 Fees/Deposits Submission Mode:

11.5.1 All the Fees, Advance deposit, Security deposit etc. in connection with application/issuance/renewal etc. of OSPL shall be submitted/paid in favor of Chairman, Civil Aviation Authority of Bangladesh in the form of Pay Order/Bank draft, except the Security deposit in the form of Bank Guarantee, issued from any scheduled bank of Bangladesh. The aeronautical and non-aeronautical charges/bills and the imposed surcharges shall be paid in favor of the concerned Airport Manager/Director by cash/pay order/Bank Draft. In any case, no Bank Cheque is acceptable.

Page 7 of 11

11.6 Payment for flight clearance through Permit Automation system:

The permit issuance shall be processed through a Permit Processing Automated System authorized by CAAB, for which a specified amount of non-refundable payment(s) shall be required. The amount and procedure of payment will be communicated to the OSPL holder(s) in due course time to time.

12. Right to Withhold, Suspend/Cancel the License or to Refuse the Renewal of License:

Chairman, CAAB reserves the right to withhold, suspend, cancel or revoke the License or any of the operational service(s), or refuse the renewal of the License, for the public interest as he thinks fit, if he is satisfied that any of the condition(s) of the License has not been complied with or that the failure to Comply is due to any willful act or has been so frequent, or is due to such negligence on OSPL's part, or failure to restore the Advance Deposit and /or Security Deposit to the required level.

13. Acceptance of License:

The Chief Executive of the Applicant shall give the Certificate of Acceptance of the OSPL on Company's letterhead as per the format in Appendix-B, which will confirm that the OSPL holder agrees to comply with the provisions of this Air Transport Circular for providing Operational Services to Non-schedule Flights by Foreign registered aircraft into or in transit across Bangladesh.

14. Date of effective: This Air Transport Circular shall come into effect from the date of issuance and will supersede all previous Air Transport Circular(s) published for the same purpose(s).

Air Vice Marshal-M Naim Hassan, BBP, OSP, Afwc, Psc Chairman.

Distribution:

- 01. The Secretary, Ministry of Civil Aviation and Tourism, Bangladesh Secretariat, Dhaka, Bangladesh.
- 02. The Managing Director & CEO, Biman Bangladesh Airlines, Balaka Bhaban, Kurmitola, Dhaka.
- 03 Member (Operations & Planning), CAAB HQ, Kurmitola, Dhaka.
- 04 All Directors,CAAB, Kurmitola, Dhaka.
- 05. Assistant Director (Accounts), HSIA, Kurmitola, Dhaka.
- 06. P. S to Chairman, CAAB HQ, Kurmitola, Dhaka
- 07. All Airport Managers.....
- Website of CAAB (<u>www.caab.gov.bd</u>).

Page 8 of 11

Civil Aviation Authority, Bangladesh

Application for Provisions of Operational Services to Non-schedule Flights by Foreign registered aircraft into or in transit across Bangladesh.

(Extra papers to be used to provide the required details)

| SN | Particulars | Details |
|----|--|---------------------------------------|
| 1. | Full name and address of the company, with Telephone, Fax, E-mail & Website etc. | · · · · · · · · · · · · · · · · · · · |
| 2. | Details of the Applicant (Owner/Chairman/CEO) with National ID number, addresses (permanent and temporary), Telephone, Fax, email, web etc. (One copy of color PP size photograph, Photocopy of National ID and Copy of Power of Authorization, if company/partnership business, is to be attached) | |
| 3. | Details of the Directors/Partners, with Passport/ National ID number (attested photocopy to be attached), address, Telephone, Fax, email etc. | · . |
| 4. | Nature of the Organization (Private/Private Limited/Public Limited etc. as applicable) with a copy of the Registration certificate in the name of the company issued by the office of the Registrar, Joint Stock Companies & Firms, Bangladesh. | · · · · · · · · · · · · · · · · · · · |
| 5. | Police Verification Report of all staff on security point of view. | |
| 6. | Financial Information - | |
| | a) Paid up capital of the company | |
| | b) Authorized capital of the company | |
| | c) Bank Solvency Certificate (With annual turnover statement) | |
| 7. | Business/Tax Identification Number (BIN/TIN). (Copies of Income Tax Certificate and latest Audit Report to be submitted) | |
| 8. | Clearance/Certificate from Bangladesh Bank and /or appropriate government agencies for handling foreign currencies, as applicable. | |

Page 9 of 11

| 9. | Organizational Structure of the Company (Details of professional personnel employed by company, and their experience in Aviation industry to be attached) | |
|-----|---|------------------------------|
| 10. | Proposed place(s) business | |
| 11. | Proposed Operational Services to be provided | |
| 12. | Details of equipment and facilities available for providing the service(s). | |
| 13. | Amount of Pay order for Application fees, name of the Bank & Branch. | Pay Order is to be attached. |
| 14. | Details of other business of the Company, if any. | |

I hereby certify that, the above information is correct and that, I have thoroughly read, understood and accept the provisions and Conditions of the Air Transport Circular in force for holding the OSPL issued to my/our company and acknowledge its acceptance accordingly.

Signature of Owner/Chairman/MD/CEO

Page **10** of **11**

COMPANY LETTERHEAD

CERTIFICATE OF ACCEPTANCE

I, ______Chief Executive, being the legal and duly authorized representative of M/s ______, hereby state that I have thoroughly read and understood the Requirements and Conditions and Provisions of Operational Services Provider License (OSPL) for providing Operational Services to Non-schedule flights by foreign registered aircraft into or in transit across Bangladesh and acknowledge the acceptance of thereof. I hereby undertake that I/we shall intimate and obtain prior permission of the Chairman, CAAB with regard to any changes in the shareholding, transfer of ownership and place of business/abode or any other significant changes.

I further undertake that I/we shall abide by the subsequent changes or addition made in the Conditions of the OSPL, Rates of Fees, charges, Deposits, payments, Regulations and Directives issued by the Chairman, CAAB from time to time.

Signature of the Owner/Chairman/CEO/MD Seal/Stamp (With name)

Dated:_____

Page 11 of 11