

CIVIL AVIATION ACT 2012

EXPLANATORY NOTES

COMMENTARY

Part 1 – Airports

Chapter 1 – Regulation of Operators of Dominant Airports

Dominant airports

Section 5 : *Dominant areas and dominant airports*

44. **Section 3**
has the effect that operators of dominant airport areas located at dominant airports require a licence to levy charges for airport operation services. This section explains what comprises a dominant airport area and a dominant airport.
45. This section introduces the concept of an ‘airport area’ (and therefore a ‘dominant airport area’) to allow for the possibility of there being more than one operator at an individual airport. This could be the case, for example, if an airline acquired or leased a terminal building. As there can be more than one ‘airport area’ at an airport, it follows that there can be more than one ‘operator of an airport area’ at an airport.
46. This differs from the approach used in the AA 1986, which refers to an airport operator as “the person for the time being having the management of an airport, or, in relation to a particular airport, the management of that airport”. That Act does not include provision about cases in which there is more than one operator of an airport.
47. **Section 5**
states that an airport area is dominant if the CAA makes a determination that the market power test is met in relation to the area and publishes a notice to that effect.
48. This section also introduces the concept of a ‘core area’ and states that an airport is dominant only if there is some overlap between one or more dominant airport areas and all or some of the airport’s core area. Non-core airport areas include car parks with pedestrian access to the passenger terminal building or pick-up and drop-off points. Therefore if the only dominant airport area at airport X comprised the pick-up and drop-off points, airport X would not be a dominant airport.