SOUTH AFRICAN
CIVIL AVIATION AUTHORITY

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14 December 2023

For Immediate Release

THE SACAA GIVES CLARITY TO THE GAZETTED FUEL LEVY TARIFF INCREASE

The South African Civil Aviation Authority (SACAA) would like to correct inaccurate and misleading reports regarding the proposed aviation fuel levy tariff increases. The proposed fuel increases are for a period of three financial years and were published for comments for the first time on Monday, 27 November 2023.

The SACAA is inviting comments on the proposed increases in line with Section 2(7) of the South African Civil Aviation Authority Levies Act, 1998 (Act No. 41 of 1998).

According to this submission, the SACAA is proposing a 4.8% increase to twenty-two (22) cents per litre from 1 April 2024 for Year 1, then a subsequent annual increase of 4.7% to twenty-three (23) cents per litre for Year 2 and a 4.6% increase to twenty-four (24) cents per litre for Year 3 from 1 April 2026. These amounts are rounded off. It is worth noting that the proposed increases are in line with the CPI.

To give further clarity to various reports, these proposed increases are in cents and not in rands.

The average increase for this period is just **one cent per litre** that is only applicable to **non-scheduled flights** that include the General Aviation sector, dedicated cargo, and private charters.

As a schedule 3A public entity, the SACAA is self-sustainable and funded through a user pay system. The main sources of revenue for the SACAA are the Passenger Safety Charges carried by passengers taking off from South African airports, User Fees paid by operators

such as airports, aircrafts, aircraft maintenance organisations and aviation training schools, amongst others.

The fuel levy is paid mainly by the General Aviation sector, dedicated cargo, and private charter flights. It is not from any scheduled airlines and is not levied on passengers' tickets.

There are no increases in airline ticket fares as a result of the fuel levy increase. Any suggestions that the fuel levy will increase the price of tickets for passengers is false because the passenger aircraft do not fall under the fuel levy charges.

The last increase in the fuel levy of 8.5% from nineteen (19) cents to twenty-one (21) cents for the 2023/24 financial year was effective from 1 May 2023 after an approval from the Ministers of Transport and Finance were received. Prior to that, the fuel levy was last increased on 1 November 2021 for the 2021/22 financial year, with none applied in the 2022/23 fiscal year as part of a decision to reprieve the industry from the COVID-19 pandemic impact.

The Regulator is looking forward to further deliberations with the industry stakeholders as well as receiving written comments on these proposed tariffs.

The SACAA would like to wish the industry a safe festive period. Our offices will close next Friday, 22 December 2023 at 12pm and will re-open again on Tuesday, 02 January 2024 at 8am.

December is peak travelling season, and we urge all passengers to familiarise themselves with aviation safety and security requirements when travelling through airports and with your respective airlines. For more information on the SACAA, please visit our website: www.caa.co.za and also familiarise yourself with safety and security messaging that will be on our social media pages.

ENDS

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