

Brief on RCS-UDAN

Regional Connectivity Scheme-UDAN

One of the objectives of National Civil Aviation Policy 2016 (NCAP 2016) released by the Ministry of Civil Aviation (MoCA), is to “enhance regional connectivity through fiscal support and infrastructure development”.

- **Infrastructural Support** : The Government has approved the proposal for revival of 50 unserved/under-served airports/airstrips of the State Governments, Airports Authority of India and Civil enclaves (Defence Airports) at an estimate cost of Rs. 4500 crores. However, the revival of airstrips / airports is 'demand driven', depending upon firm commitment from airline operators as well as from the State Government for providing various concessions under RCS.
- **Support from Central Government** : Excise Duty @ 2% on Aviation Turbine Fuel (ATF) at RCS Airports, GST exemption on Viability Gap Fund (VGF) to selected Airline Operators. On Regional Connectivity Fund (RCF) levy, Scheduled Operators will pay GST to Government of India on Reverse Charges basis.

Support from State Government :

- VAT to 1% or less on ATF at RCS Airports, Security and fire services free of cost at RCS Airports and concessional charges on electricity and water.
- Contribution to Regional Connectivity Fund (RCF) - (20% for States other than for North-Eastern States where the ratio will be 10%).
- **Support from Airport Operators** : Exemption to RCS Flights from Landing and Parking Charges, Terminal Navigation Landing Charges (TNLC) and concessional Route Navigation and Facilitation Charges (RNFC).
- **Involvement of States**: Several rounds of consultations were held with stakeholders. 27 States and 3 Union Territories have signed MOU with MoCA and AAI for implementation of UDAN.
- **Commencement of UDAN** : On 27th April, 2017 Hon’ble PM flagged off the inaugural UDAN flights under RCS on Shimla-Delhi, Kadapa-Hyderabad and Nanded-Hyderabad sectors.

- **Progress of UDAN:** After two rounds of UDAN bidding, routes from following Airports/ Heliports awarded ;
 - Unserved Airports 56
 - Underserved Airports 17
 - Heliports 31

- Total number of Selected Airline Operators 17.

- Till date RCS operations from following 30 Airports have been commenced.

Un served Airports: - NANDED, BHATINDA, SHIMLA, KANDLA, LUDHIANA, MYSORE, VIDYANAGAR, BIKANER (NAL), JAISALMER, OZAR (NASIK), JALGAON, MUNDRA, SALEM, PATHANKOT, KOLHAPUR, ADAMPUR, JAGDALPUR & KANPUR (Chakeri).

Under Served Airports: - KADAPA, GWALIOR, PORBANDAR, PONDICHERRY, AGRA, JAMNAGAR, DIU, SHILLONG, BHAVNAGAR, TEZPUR, HUBLI, ALLAHABAD.

- For UDAN Operations, high standards of safety and security is ensured. Following constraints are faced due to which delay in operationalisation of few Airports.
- Airlines should have at least Scheduled Commuter Operator Permit.
- Revival and upgradation of Airports under progress for licensing to commence the operations.
- Security and Fire services have to be provided by the States and State Government Personnel need to be trained by AAI and Bureau of Civil Aviation Security (BCAS).

Way Forward :

- Focus of UDAN-3 would be on tourist destinations and Buddhist Circuits etc.
- As requested by few States UDAN International connectivity to ASEAN/SAARC Countries would be explored.