



TAXES, FEES AND CHARGES IN AFRICA

Raffaella IRIE – Manager Data & Statistics
AFRICAN AIRLINES ASSOCIATION

Release date : November 2020

TABLE OF CONTENTS

Introduction	3
State of African Region	3
I - Passenger paid taxes and fees in Africa	4
1- Regional departures taxes and fees	4
2- International departures taxes and fees	5
3- Transfer and Arrival taxes and fees	8
4- Example of the effect of taxes and fees on ticket prices for travels within Africa	10
II - Airport charges in Africa	11
Conclusion	14

Introduction

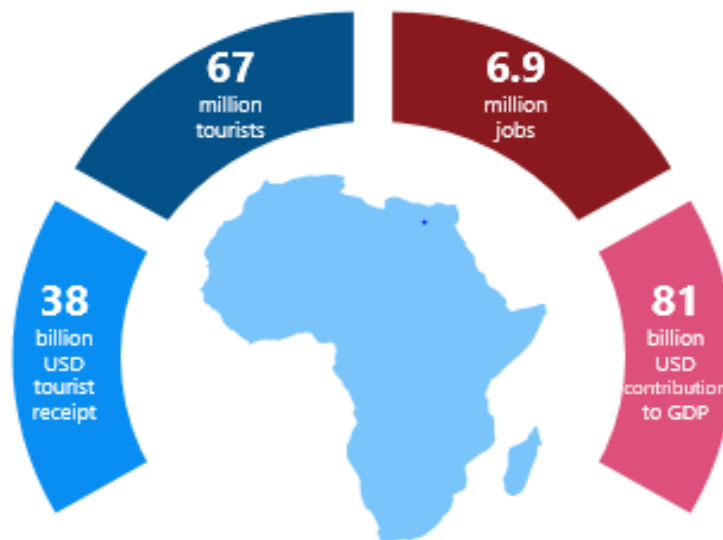
According to World Travel and Tourism Council, the global travel and tourism sector generated 10.4% of all global activities in 2018, contributing 8.8 trillion US dollars to the global economy and supporting 319 million jobs.

More specifically, the Airline industry carried 4 billion passengers and 64 million tons of cargo across the world on around 22,000 routes in 2018 and generated 30 billion US Dollar of net post tax profit. Out of the 1.4 billion tourists that crossed international borders, 55% traveled by air.

The high dependency between air transport and tourism and their mutual importance for economic growth make necessary to take action in order to make these sectors efficient.

State of African region

Figure 1: Air transport in Africa



According to UNWTO, 67 million international tourists visited Africa, bringing in a total receipt of USD 38 billion in 2018. The contribution of travel and tourism in the global GDP is around USD 81 billion, which is greater than automotive manufacturing, health and banking, showing the importance of this sector for African Economy.

Tourists travel by air to and from Africa. Traders undertake their long-distance journeys by air. Intra-Africa trade is exceptionally low (15.2% for the period 2015 -2017, compare to 50% and 64% within Asia and Europe respectively). Air transport will be vital in the implementation of AfCTA to develop trade among African States. Unfortunately, air transport industry is still non-profitable in the continent; most African citizens cannot afford passenger air ticket. African airlines face several challenges, including the high level of taxes, fees and charges. In fact, air transport is perceived as luxury service across the continent. Then, governments, airports and service providers tend to overcharge airlines; despite many of them are struggling to survive.

However, efficiency gains in the air transport industry will accelerate the development of tourism, trades and other key economic sectors in Africa.

I – PASSENGER PAID TAXES AND FEES IN AFRICA

In Africa, there is no common policy in terms of Air navigation service charges. Service Providers apply different rates from a country to another, except for ASECNA whose formulas are common for 17 member states in western and central Africa, and in Indian Ocean.

The aviation industry has a particular fiscal regime. According to ICAO regulations, fuel, which represents at least 24.7% (IATA WATS 2019) of African airlines' operational costs, should not be taxable. However, many other specific taxes and fees are applied to passengers.

1- Sub-regional departures taxes and fees

Various groups of countries in Africa have adopted preferential taxes and fees rates for travel among their members. ECOWAS and CEMAC are example. As presented below, preferential taxation allows to have a total average taxes amount of USD 57.6, which is lower compared to non- regional travels. The rates are applied in each country for sub regional travels are shown in the following table and graph.

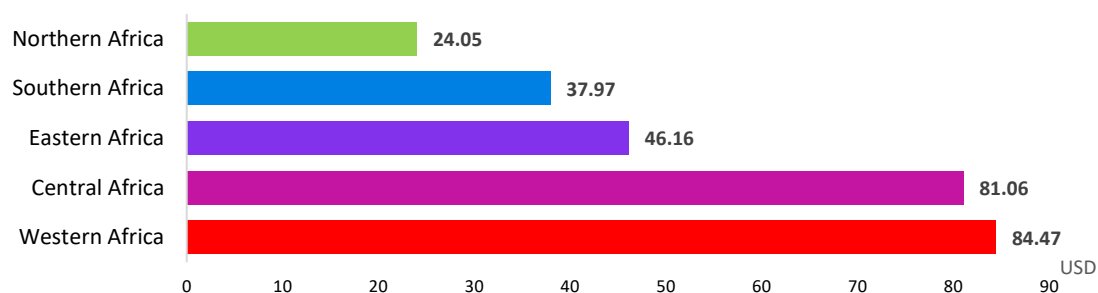
Table 1 - Taxes and fees paid by passenger on Regional departure in African airports

Airport	Regional departures taxes (USD)
Niamey	162.7
Monrovia	145.0
Bissau	137.9
Dakar	116.9
Douala	115.6
Bangui	111.2
Freetown	109.0
Brazzaville	107.6
Bamako	99.7
Antananarivo	91.3
Cotonou	88.7
Kinshasa	77.5
Malabo	72.5
Accra	70.0
Lagos	70.0
N'djamena	68.2
Djibouti	67.4
Cairo	67.0
Moroni	64.4
Lome	62.8
Entebbe	57.2
Abidjan	56.9
Dar Es Salaam	54.0
Sao Tome	54.0
Saint Denis	52.1
Lusaka	51.9
Ouagadougou	50.9

Airport	Regional departures taxes (USD)
Kigali	50.0
Nairobi	50.0
Mahe Island	50.0
Harare	50.0
Banjul	49.5
Maputo	47.5
Mogadishu	42.0
Libreville	41.9
Bujumbura	40.0
Luanda	39.2
Lilongwe	36.7
Mauritius	32.7
Addis Ababa	31.0
Conakry	30.0
Casablanca	29.5
Algiers	23.5
Windhoek	22.4
Johannesburg	21.3
Asmara	20.0
Ilha Do Sal	17.1
Tunis	11.8
Gaborone	11.6
Khartoum	8.2
Lubombo	7.2
Tripoli	4.3
Maseru	3.3
Average	57.6

Source: AFRAA / IATA ACIC

Figure 2: Average Regional Passenger taxes per African sub region



Source: AFRAA / IATA ACIC

Central and Western Africa have the best regional taxes policy as it allows to save in average USD 12.68 and USD 10.12.

2- International departures taxes and fees

For non-regional travels, passengers pay in average 3.4 different taxes and fees at departure, representing an average amount of USD 64. Out of 53 airports, 10 charge passenger above USD 100. Furthermore, 32 that is more than half, charge passengers above USD 50.

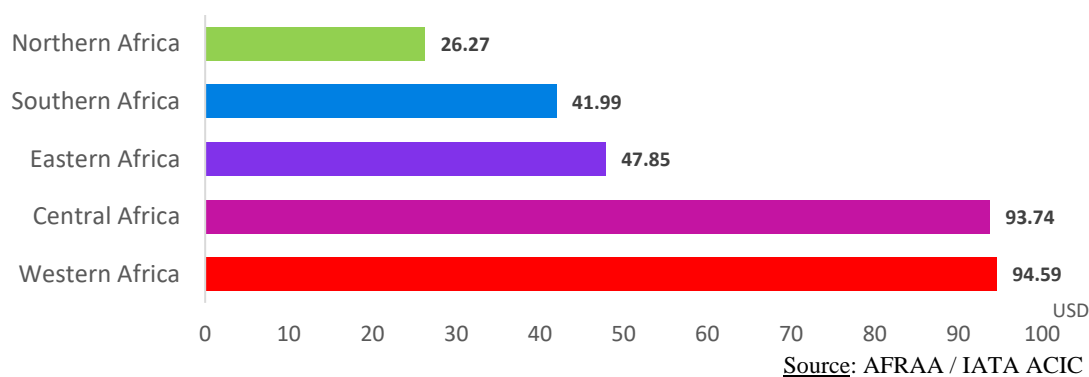
Table 2 - Taxes and fees paid by passenger on International departure in African airports

Airport	International Departures	Airport	International Departures
Niamey	164.9	Lusaka	51.9
Monrovia	145.0	Kigali	50.0
Freetown	139.0	Nairobi	50.0
Bissau	137.9	Mahe Island	50.0
Brazzaville	132.8	Harare	50.0
Douala	124.4	Banjul	49.5
Bangui	118.8	Maputo	47.5
Dakar	116.9	Mauritius	44.9
Accra	110.0	Mogadishu	42.0
Bamako	110.0	Windhoek	40.9
Cotonou	95.9	Bujumbura	40.0
Antananarivo	93.3	Luanda	39.2
Malabo	89.2	Lilongwe	36.7
Abidjan	88.5	Casablanca	35.6
N'djamena	85.1	Conakry	35.0
Djibouti	84.3	Johannesburg	31.6
Kinshasa	77.5	Addis Ababa	31.0
Lome	71.1	Algiers	23.5
Lagos	70.0	Asmara	20.0
Libreville	68.1	Ilha Do Sal	17.1
Ouagadougou	68.1	Lubombo	15.7
Cairo	67.0	Tunis	11.8
Moroni	64.4	Gaborone	11.6
Entebbe	57.2	Tripoli	11.5
Saint Denis de la Reunion	56.8	Khartoum	8.2
Dar Es Salaam	54.0	Maseru	3.3
Sao Tome	54.0	Average	64.0

Source: AFRAA / IATA ACIC

When looking at sub-regions, the figure below shows that western and central Africa are the most expensive regions in terms of passenger charges with an average of USD 94.59 and USD 93.74 respectively for international travels. The region where passengers pay the lowest amount of taxes and fees is Northern Africa, with an average of USD 26.27.

Figure 3: Average International Passenger taxes and fees per African sub region



In Central and Western Africa, 10 out of 23 airports, which is almost half, charge more than USD 100. Thus, the two regions represent only 20% of the global traffic to/from Africa. Most of Northern African airports which represent 35% of the traffic, charge less than 50 USD.

Table 3 – Number of airports by regions and level of international departure taxes and fees

Sub-region	More than USD 150	Between USD 100 and USD 150	Between USD 50 and USD 100	Between USD 30 and USD 50	Less than USD 30
Western Africa	1	6	5	2	1
Central Africa	0	3	5	0	0
Eastern Africa	0	0	6	3	1
Southern Africa	0	0	5	6	3
Northern Africa	0	0	1	1	4

Source: AFRAA / IATA ACIC

The table below shows the top five airports by International Passenger taxes and fees by African sub regions.

Table 4 – Top 5 most expensive airports by African sub-regions

Western Africa		Central Africa		Eastern Africa		Southern Africa		Northern Africa	
Niamey	164.9	Brazzaville	132.8	Djibouti	84.3	Antananarivo	93.3	Cairo	67.0
Monrovia	145.0	Douala	124.4	Entebbe	57.2	Moroni	64.4	Casablanca	35.6
Freetown	139.0	Bangui	118.8	Dar Es Salam	54.0	Saint Denis	56.8	Algiers	23.6
Bissau	137.9	Malabo	89.2	Kigali	50.0	Lusaka	51.9	Tunis	11.8
Dakar	116.9	Ndjamena	85.1	Nairobi	50.0	Harare	50.0	Tripoli	11.5

Source: AFRAA / IATA ACIC

Central and Western African airports have the highest passenger taxes and fees, which vary from USD 164.9 in Niamey to USD 17.1 in Ilha Do Sal. The five (5) most expensive in western African charge above USD 100. Passengers in North African airports enjoy the lowest amounts. Cairo charges USD 67 as passenger taxes and fees, while Khartoum charges only USD 8.2.

Comparison with neighboring regions

While the average amount of passenger paid taxes and fees in Africa is USD 64, passengers are charged USD 30.23 in Europe and USD 29.65 in Middle East despite the fact that traffic is much more significant in these regions as shown below:

Table 5 – Taxes and fees paid by passenger on International departure in European airports

Airport	International Departures taxes (USD)	Airport	International Departures taxes (USD)
London	154.70	Bichkek	26.00
Frankfurt am	96.65	Prague	25.09
Paris	57.86	Ljubljana	24.97
Ashkhabad	50.00	Belgrade	23.59
Baku	49.73	Istanbul	23.32
Dushanbe	47.00	Pristina	22.69
Rome	44.98	Bucharest	22.45
Stockholm	43.77	Valletta	20.48
Yerevan	43.25	Skopje	19.89
Copenhagen	38.44	Chisinau	19.56
Vienna	36.65	Tivat	19.11
Athens	36.17	Kiev	19.00
Zurich	35.78	Bratislava	17.98
Zagreb	34.25	Helsinki	16.62
Budapest	34.01	Reykjavik	16.54
Brussels	33.08	Warsaw	15.99
Sarajevo	32.64	Gibraltar	13.01
Lisbon	32.47	Dublin	12.43
Amsterdam	30.80	Sofia	11.49
Tirana	29.28	Moscow	10.88
Tbilisi	28.09	Almaty	10.30
Madrid	27.64	Vilnius	8.99
Oslo	27.31	Luxembourg	8.84
Minsk	26.70	Tallinn	7.77
Riga	26.31	Bildudalur	5.03
Larnarca	26.29	Average	30.23
Tashkent	26.29		

Source: AFRAA / IATA ACIC

In Europe, only one (1) airports among the selected charge passenger more than USD 100, and four (4) charge more than USD 50. The reason for this high amount in London is the Air Passenger government tax, which is GBP 78 (USD 101) for long haul flights.

Table 6 – Taxes and fees paid by passenger on International departure in Middle East airports

Airport	International Departures taxes (USD)	Airport	International Departures taxes (USD)
Amman	83.67	Baghdad	22.00
Aden	72.91	Manama	19.02
Beirut	34.40	Tehran	14.47
Dubai	32.67	Kuwait City	10.59
Tel Aviv	31.26	Damascus	9.46
Muscat	30.21	Jeddah	2.13
Doha	22.64		29.65

Source: AFRAA / IATA ACIC

Only 2 Middle East airport out of 12 charge above USD 56 to passengers.

3- Transfer and Arrival taxes and fees

Passengers in Africa also pay taxes and fees for transfer and on arrival, as shown in the tables below:

Table 7 - Taxes and fees paid by passenger for transfer in African airports

Airport	Transfer taxes (USD)	Airport	Transfer taxes (USD)
Niamey	140.60	Dakar	21.48
Monrovia	115.00	Ouagadougou	19.00
Antananarivo	93.26	Bissau	17.24
Bangui	92.82	Johannesburg	16.02
Djibouti	84.27	Manzini	15.68
Malabo	80.82	Harare	15.00
Banjul	61.35	Maputo	12.50
Libreville	51.52	Luanda	11.00
Brazzaville	46.36	Kinshasa	10.50
N'djamena	44.66	Entebbe	10.00
Lome	42.96	Saint Denis	9.16
Lusaka	41.88	Lilongwe	6.70
Bujumbura	40.00	Conakry	5.00
Cotonou	33.70	Cairo	3.96
Abidjan	32.48	Maseru	3.31
Sao Tome	29.00	Tripoli	2.52
Casablanca	25.18	Mogadishu	2.00
Algiers	23.62	Average	36.02

Source: AFRAA / IATA ACIC

35 airports out of 53 apply taxes and fees on transfer passengers, increasing ticket price by an average amount of USD 36.02

Table 8 – Taxes and fees paid by passenger on arrival in African airports

Airport	Taxes on arrival (USD)	Airport	Taxes on arrival (USD)
Antananarivo	41.05	Abidjan	8.58
Mogadishu	26.00	Tunis	7.16
Bamako	20.58	Banjul	6.30
Dakar	12.00	Sao Tome	5.00
Accra	10.00	Cairo	3.19
Cotonou	10.00	Lome	1.72
Malabo	8.58	Average	12.32

Source: AFRAA / IATA ACIC

Taxes and fees on arrival increase ticket price by an average amount of USD 12.32

Comparison with neighboring regions

Airports in Europe charge less than Africa in terms of taxes and fees on arrival and transfer. The average amount of transfer taxes and fees in Africa is USD 36.02 compared to USD 17.55 in Europe. Taxes and fees on arrival are USD 8.81 in Europe, while USD 12.32 in Africa.

Table 9 – Taxes and fees paid by passenger for transfer and on arrival in European airports

Airport	Transfer taxes (USD)	Taxes on arrival (USD)	Airport	Transfer taxes (USD)	Taxes on arrival (USD)
London	53.19	-	Larnarca	14.36	0.88
Ashkhabad	50.00	20.00	Lisbon	14.19	-
Frankfurt am Main	49.43	6.00	Copenhagen	12.69	-
Dushanbe	47.00	47.00	Pristina	11.54	0.24
Zurich	35.78	-	Minsk	10.95	10.95
Paris	35.27	-	Almaty	10.30	-
Budapest	34.01	-	Sarajevo	10.04	-
Yerevan	32.13	-	Belgrade	9.33	0.24
Tirana	29.28	-	Ljubljana	9.15	-
Vienna	27.14	-	Bratislava	8.94	-
Brussels	23.82	0.36	Luxembourg	8.29	-
Athens	23.43	-	Stockholm	8.10	-
Valletta	19.93	-	Sofia	7.40	-
Tivat	19.11	-	Helsinki	6.26	-
Rome	19.04	-	Istanbul	5.50	-
Tbilisi	17.70	-	Bildudalur	5.03	5.03
Madrid	17.65	-	Dublin	2.82	-
Zagreb	16.92	-	Chisinau	2.76	6.85
Amsterdam	15.61	-	Reykjavik	2.14	5.70
Prague	15.39	-	Vilnius	1.86	0.13
Bichkek	15.00	-	Baku	1.12	11.12
Warsaw	14.76	-	Tashkent	1.05	-
Kiev	14.50	-	Average	17.55	8.81

Source: AFRAA / IATA ACIC

Out of 52 airports in Europe, 45 apply transfer taxes and fees compared to 35 in Africa. Though, the average amount paid remain lower in Europe.

Table 10 – Taxes and fees paid by passenger for transfer and on arrival in Middle East airports

Airport	Transfer taxes (USD)	Taxes on arrival (USD)	Airport	Transfer taxes (USD)	Taxes on arrival (USD)
Jeddah	25.31	23.18	Tehran	4.00	-
Dubai	10.89	1.36	Manama	3.05	-
Doha	10.11	0.50	Kuwait City	1.41	-
Amman	9.16	1.76	Beirut	0.40	0.40
Muscat	6.76	-	Baghdad	-	-
Damascus	6.02	-	Aden	-	-
Tel Aviv	4.00	4.00	Average	6.24	2.40

Source: AFRAA / IATA ACIC

In Middle East, airports charge passengers USD 6.24 for transfer and USD 2.40 on arrival.

4- Example of the effect of taxes and fees on ticket prices for travels within Africa

The examples below show how taxes and fees are affecting the final ticket price.

Table 11 – Examples of ticket price breakdown for intra-African travels

Routing	EFT	Direct / Transfer	Transfer point	Lowest Base fare	Departure taxes	Transfer taxes	Arrival taxes	Total taxes	Total TKT Price	Ratio Taxes / Base Fare	Ratio Taxes / Total
ABJLFW	1:30	Direct		65	52.3	-	1.69	53.99	118.99	83.06%	45.37%
LFWDLA	1:50	Direct		170	62.42	-	-	62.42	232.42	36.72%	26.86%
NBOADD	2:00	Direct		71	50	-	-	50	121	70.42%	41.32%
ABJCOO	3:15	Transfer	LFW	86	52.3	16.88	11.07	80.25	166.25	93.31%	48.27%
DKRCMN	3:15	Direct		69	119.13	-	-	119.13	188.13	172.65%	63.32%
ADDCAI	3:30	Direct		58	31.15	-	1.9	33.05	91.05	56.98%	36.30%
CMNCAI	4:50	Direct		177	103.01	-	-	103.01	280.01	58.20%	36.79%
LOSBO	5:20	Direct		550	102.05	-	-	102.05	652.05	18.55%	15.65%
KGLJNB	7:30	Transfer	NBO	209	50	-	-	50	259	23.92%	19.31%
ABJCMN	8:00	Transfer	DSS	60	52.3	47.24	-	99.54	159.54	165.90%	62.39%
DKRLBV	9:15	Transfer	LFW	103	119.13	16.88	-	136.01	239.01	132.05%	56.91%
JNBACC	9:50	Transfer	ADD	41	28.75	-	10	38.75	79.75	94.51%	48.59%
KGLDKR	11:50	Transfer	COO	219	60	26.81	12	98.81	317.81	45.12%	31.09%
Average				144.46	67.89	26.95	7.33	79	223.46	54.69%	40.94%

Source: AFRAA / IATA ACIC

While airlines attempt to offer low fares to passengers, taxes and fees can bring the total price of a ticket to more than double of the base fare.

Given the low purchasing power in Africa, it is urgent to assess the issue of high taxes and fees, to stimulate the demand and make air transport affordable to African citizens.

II - AIRPORT CHARGES IN AFRICA

Apart from Passengers taxes that are levied directly on the ticket, airlines have to face many other charges related to their operations at the airport level. Some of them are listed below:

- Landing
- Noise
- Parking
- Common User Terminal Equipment CUTE
- Jetway Charge
- Passenger Bus
- Lighting
- Counter
- Fire Fighting and Prevention
- Check - in
- Ground Power Unit
- Ground Handling
- Follow - me
- Hangar
- Housing
- Terminal
- Towing and Push – back

All those charges are affecting the profitability of the airlines.

The table below shows the charges paid at the main African airports for an international flight with the following criteria:

- | | |
|---------------------------------|---------------|
| - Aircraft Type | : B737 |
| - Total Departing Pax | : 1 |
| - Total Economy Pax | : 1 |
| - Parking Time | : 2 Hour |
| - Period of the day | : Day |
| - Cargo | : 0 Kilograms |
| - Check - in Counters Usage | : 2 Hour |
| - Month of the year | : January |
| - Number of check - in counters | : 3 |
| - Overflight Type | : Origin |
| - Parking Stand A/R | : Apron stand |
| - Rate Type | : Daily |
| - Total Adult Pax | : 1 |

Table 12 – Other charges paid by airlines in African airports

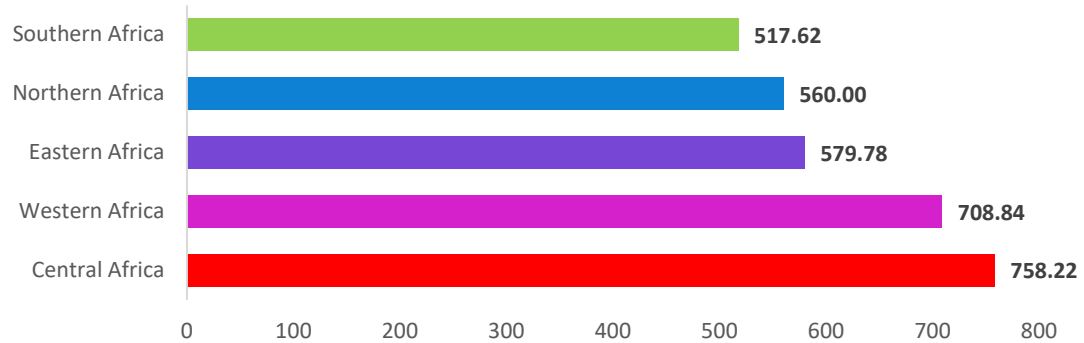
Airport	Other charges (USD)	Airport	Other charges (USD)
Mogadishu	2090.56	Libreville	558.49
Lusaka	1451.88	Kigali	515.08
Luanda	1282.76	Monrovia	497.40
Conakry	1074.21	Djibouti	494.85
Casablanca	1029.42	Banjul	492.09
N'djamena	1026.97	Johannesburg	484.72
Tunis	949.43	Entebbe	481.08
Bangui	919.48	Maputo	480.75
Malabo	899.39	Dar Es Salam	461.50
Bamako	885.29	Tripoli	458.09
Lome	864.08	Addis Ababa	457.65
Brazzaville	807.67	Asmara	426.25
Moroni	801.48	Bujumbura	392.45
Dakar	788.37	Sao Tome	392.32
Harare	775.00	Saint Denis de la Reunion	389.59
Niamey	763.12	Lilongwe	380.20
Ilha Do Sal	737.99	Antananarivo	304.94
Kinshasa	735.91	Windhoek	298.96
Douala	725.55	Nairobi	298.00
Cairo	722.27	Mauritius	296.47
Lagos	720.43	Gaborone	233.22
Cotonou	690.61	Mahe Island	180.38
Accra	678.00	Algiers	157.96
Ouagadougou	674.29	Maseru	47.05
Bissau	613.66	Khartoum	42.81
Freetown	587.38	Manzini	19.69
Abidjan	565.71	Average	624.58

Source: AFRAA / IATA ACIC

Mogadishu is the most expensive airport for airlines charges, with more than USD 2000 for an international flight, while a busy airport like Algiers charge USD 158 in the same conditions. The average amount of charges paid is USD 624, but 53% of the airports are charging less than USD 600. 3 airports in Africa charge below USD 50: Maseru, Khartoum and Manzini.

From the table above, we can easily see that the busiest airports are among the cheapest. As examples: Johannesburg, Addis Ababa, Nairobi, Algiers charge less than the average.

Figure 4: Average airport charges per African sub-region



Source: AFRAA / IATA ACIC

On a regional approach we can see that Central and Western African airports are the most expensive. The average amount of charges in those region (USD 758.22 and USD708.84 respectively) exceed the continental average, which is USD 624.58. Southern Africa is the least expensive region in terms of airport charges with an average of USD 517.62

Comparison with neighboring regions

In comparison with Europe and Middle East, the charges remain lower in Africa. The average amount of non-passenger charges is USD 1117 in Europe, and USD 693 in Middle East, as shown on the tables below.

Table 13 – Other charges paid by airlines in European airports

Airport	Other charges (USD)	Airport	Other charges (USD)
Tirana	5022.95	Kiev	754.84
Sarajevo	3838.95	Varna	753.43
Paris	3629.56	Prague	746.80
Yerevan	2812.67	Tbilisi	726.66
Tivat	2053.89	Larnarca	721.18
Skopje	1800.96	Bucharest	713.87
Minsk	1550.43	Rome	706.17
London	1519.81	Vilnius	663.97
Belgrade	1381.88	Tallinn	654.65
Reykjavik	1294.56	Geneva	650.75
Istanbul	1180.44	Helsinki	636.05
Lisbon	1179.30	Chisinau	557.31
Madrid	1093.06	Dublin	555.12
Moscow	1076.58	Copenhagen	494.39
Bratislava	1025.25	Gibraltar	479.40
Budapest	981.57	Stockholm	441.05
Ljubljana	950.77	Oslo	428.53
Baku	941.90	Luxembourg	299.20
Amsterdam	938.62	Valletta	296.76
Warsaw	845.24	Riga	286.67
Athens	821.33	Brussels	36.35
Frankfurt am Main	808.91	Average	1116.87
Zagreb	790.28		

Source: AFRAA / IATA ACIC

In Europe, airlines have to pay charges type that do not exist in Africa, such as De-icing, Slot coordination, Water for aircrafts. Other charges like lightning and noise have higher rates.

Table 14 – Other charges paid by airlines in Middle East airports

Airport	Other charges (USD)	Airport	Other charges (USD)
Baghdad	1980.00	Kuwait City	578.16
Jeddah	949.91	Muscat	398.47
Tel Aviv	905.65	Doha	302.92
Tehran	850.72	Aden	286.58
Amman	783.15	Manama	261.23
Dubai	731.08	Damascus	262.92
Beirut	713.77	Average	692.66

Source: AFRAA / IATA ACIC

Middle East rates are closer to African rates, as the scheme of charges is similar.

Conclusion

The high level of taxes, fees and charges is a critical issue and it is counter-productive for air transport development in Africa. As air transport is considered as a luxury service, government tend to overtax air transport supply chain leading to excessive service charges to the airlines. The average amount of passenger's paid taxes and fees applied to air tickets is twice more expensive in Africa than in Europe or Middle East.

AFRAA advocate for reducing taxes, fees and charges through effective gains along the entire supply chain to ensure affordable air transport prices and increase traffic growth rates.

According to a study from our partner Predictive Mobility, the elasticity price/demand for air transport within Africa vary from -2.34% to -3.15%. That means that a reduction of 10% on the ticket price can increase the demand at continental level, from 22.3 to 30.1 million passengers yearly.

Thus, the reduction of taxes and charges can allow a significant stimulation of demand on the continent. This will help our airline to become more competitive, especially against foreign operators, who are based in regions where the taxation is lower comparatively.

A wealthy air transport industry is necessary for the development of tourism, trade, and of key economic sectors in Africa.



Better Skies for Africa

P.O. Box 20116, Nairobi 00200 - Kenya
Tel: +254 20 23 20 144/8 M: +254
722209708 / +254 735 337669
Email: afraa@afraa.org | Website:
www.afraa.org