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| **PROMOTUR TURISMO CANARIAS, S.A.** |
| **APPLICATION FOR THE FLIGHT DEVELOPMENT PROGRAMME INCENTIVE FOR THE START-UP OF NEW AIR ROUTES STARTING IN WINTER SEASON 2016/17 (SECOND CALL FOR APPLICATIONS)** |
| **AJ 44/16CA** |

This is the form that must be submitted to apply for the incentive that is the subject matter of this Call for applications; it comprises four (4) documents: **I.- Application Form** **II.- Minimum Requirements to apply for the Incentive** **III.- Business Plan** and **IV.- Contact Details**.

This form must be completed following the instructions in the *Notice of Call for Applications* and the *Terms governing the granting of flight development programme incentives for the start-up of new direct air routes with Canary Islands airports.*

All fields of the form must be filled in. The application cannot be submitted if any fields are empty or incomplete.

In point 3.1 of Section III.- Business Plan in this form, paragraph 1, concerning the demonstration that the route is likely to be profitable once the start-up period for the route has ended, without incentives, and paragraph 3, concerning the explanation of why the airline would not have operated the route with regular services in the absence of the incentive, are mandatory and must be completed for the application to be assessed.

This form must be delivered signed and stamped. The signature and the stamp must be originals and belong to the person who legally represents the entity applying for the incentive.

**APPLICATION FORM TO BE SUBMITTED TO BECOME A BENEFICIARY OF THE FLIGHT DEVELOPMENT PROGRAMME INCENTIVE FOR THE START-UP OF NEW AIR ROUTES STARTING IN WINTER SEASON 2016/17 (SECOND CALL FOR APPLICATIONS)**

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# i.- APPLICATION FORM.

**I**, ……………………………………………………… [*Full name*], of legal age and holder of Tax Identification No. …………………………………….. acting on my own behalf/ on behalf of the entity ……………………………………………………….., holder of Tax Identification No ……………………., in the capacity of ………………………………………………………………, with registered office in ……………………………………… [*Street address*], in the city of …………………………………, Post Code …………., Province of ……………………………………………., Country…………………………, with telephone…………., fax …………. and **email address** …………………………………, for the purpose of notices that may result from this communication, hereby

**APPLY** for participation in the procedure for the granting of incentives for the start-up of a new direct air route between ………..……..…. Airport (-IATA CODE-) and ……………..……. Airport (-IATA CODE-) conducted by **PROMOTUR TURISMO CANARIAS, S.A.**, for which I submit, in due time and proper form, the documentation required in accordance with the Terms governing the incentive granting procedure; this documentation comprises:

1.- **Application form**, properly completed.

2.- **Minimum requirements to apply for the Incentive**, properly completed.

3.- Business Plan, properly completed.

4.- Contact details.

5.- ……………………………………………………………………………………….

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**AND TO PROMOTUR TURISMO CANARIAS, S.A.** I make the following declaration on honour:

**I DECLARE, under my own responsibility**, that I meet the **conditions of legal status and representation** and **legal capacity to access and benefit from the present incentive as a beneficiary** and that, within the deadline for submitting this application, I have the **documentation to demonstrate this - this documentation shall be provided to PROMOTUR when the airline is required to do so -** and that **I undertake to continue to comply with the foregoing conditions** during the time in which they are recognised or exercised.

**I DECLARE, under my own responsibility**, that I am up to date with State and Canary Islands tax obligations and Social security contributions.

**I DECLARE, under my own responsibility**, that I have justified any grants previously awarded to me by any department of the Public Administration of the Autonomous Community of the Canary Islands.

**I DECLARE, under my own responsibility**, that none of the exclusion criteria for becoming a beneficiary laid down in ***Term 9.3 point 2*** apply to me.

**I DECLARE, under my own responsibility**, that I am not currently benefiting from any incentive, aid or grant that may be incompatible with the enjoyment of the present incentive.

**I DECLARE, under my own responsibility**, that I have a valid air operating licence issued by a competent authority of a Member State or one of the countries belonging to the Common European Aviation Area (CEAA), or, in the case of airlines from third countries, I have a valid operating licence or equivalent document issued by the competent authority in the country of origin of the airline.

**I DECLARE, under my own responsibility**, that I have an Air Operator’s Certificate (AOC) or equivalent document to certify that the operator has the professional ability and organisation to secure the safe operation of aircraft.

**I DECLARE, under my own responsibility**, that the airline is not on the European List of Air Carriers subject to an operating ban and other restrictions within the European Union, published on the following web page: <http://ec.europa.eu/transport/modes/air/safety/air-ban/index_en.htm>

**I DECLARE, under my own responsibility**, that I have an insurance policy that covers all the risks associated with operating the new route, in accordance with Regulation (EC) 785/2004, of the European Parliament and of the Council, on insurance requirements for air carriers and aircraft operators, or equivalent regulations.

**I DECLARE** that, in the case of non-Spanish undertakings, I submit to the jurisdiction of the Spanish Courts and Tribunals of any kind in relation to any incidents that may, directly or indirectly, arise from the decision on the granting of the incentive, waiving, where applicable, any foreign jurisdiction that may correspond to the beneficiary.

**I DECLARE** that, expressly waiving any other jurisdiction, I will submit to the territorial jurisdiction of the Courts and Tribunals of Las Palmas de Gran Canaria.

**I DECLARE, under my own responsibility**, that I undertake to comply with all the obligations contained in my Incentive Application.

**I DECLARE** that I authorise the Spanish Airports Authority, **AENA Aeropuertos, S.A.**, to provide **PROMOTUR** with the information concerning the operation of the new route that will enable AENA to verify the degree of compliance with the operating obligations of the new route and confirm the justification of the incentive.

**I DECLARE** that I will allow **PROMOTUR**, when it so requires to ensure fulfilment of the process, to verify the truthfulness of this declaration at any time during the process.

**I DECLARE** that I authorise **PROMOTUR**, on behalf of the signatory entity, to request any type of documentation that demonstrates that the entity has obtained licences, permits or the necessary authorisation to become a beneficiary of the incentive in accordance with the Terms that govern the Call for applications, from any entity, body or public administration authorised to provide such documentation.

**I DECLARE** that I undertake to perform the incentive in accordance with the specifications and the budget laid down in the Notice of Call for applications.

**PROMOTUR** may request the necessary proof to demonstrate compliance by the beneficiary airline with the declarations made herein.

In witness whereof, I sign this declaration in …….…………………, on …….. ……………………… 20…

Signed………………………….

(Legal representative of the entity)

(Entity)

(Stamp of the entity)

# ii.- minimum requirements to apply for the incentive.

1. Route

Please choose only one:

**ROUTE 1**: Lanzarote (ACE) – Budapest (BUD)

**ROUTE 2**: Lanzarote (ACE) – Katowice (KTW)

**ROUTE 3**: Gran Canaria (LPA) – Geneva (GVA)

**ROUTE 4**: Gran Canaria (LPA) – Lyon (LYS)

**ROUTE 5**: Gran Canaria (LPA) – Venice (VCE)

**ROUTE 6**: Tenerife South (TFS) – Bucharest (OTP)

**ROUTE 7**: Tenerife South (TFS) – Katowice (KTW)

1. Starting week of operations[[1]](#footnote-1)

Week ......... (number) of the calendar, that is, the week from Sunday …. (day) …………… (month) to Saturday …. (day) …………… (month) ……… (year).

1. Schedule

SUMMER:

* + Frequency per week[[2]](#footnote-2): …………….
  + Total flights during the season: …………….

WINTER:

* + Frequency per week[[3]](#footnote-3): …………….
  + Total frequencies during the season: …………….

1. Aircraft

SUMMER:

* + Model:………………….
  + Capacity (seats):……………………

WINTER:

* + Model:………………….
  + Capacity (seats):……………………

1. Total annual capacity[[4]](#footnote-4)
   * FROM ORIGIN AIRPORT TO DESTINATION AIRPORT[[5]](#footnote-5): …………… (Seats)
   * FROM DESTINATION AIRPORT TO ORIGIN AIRPORT[[6]](#footnote-6): ………….. (Seats)
   * TOTAL: …………………….. (Seats)
2. Business Plan[[7]](#footnote-7)

# iii.- BUSINESS PLAN[[8]](#footnote-8).

1. BACKGROUND:
   1. Summary of the airline’s background:

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* 1. Previous experience (if any) of the airline in providing scheduled air services in the Canary Islands:

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1. MARKETING STRATEGY FOR THE ROUTE[[9]](#footnote-9):
   1. Promotion of the route:

- Describe the marketing actions intended to promote the new route.

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* 1. Commercialisation of the route[[10]](#footnote-10):

- List the online and offline distribution channels (own and external channels) the airline will use to commercialise the new route with non-negotiated public fares accessible to all customers. Indicate the exact web page of the airline where the route will be commercialised.

Where the airline does not have its own web page for trading, but sells its tickets through the website of another airline with which it has a business relationship, indicate the exact web page that will be used. The nature of the business relationship between the two airlines must also be described. ………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………………

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1. FUTURE ECONOMIC VIABILITY OF THE ROUTE[[11]](#footnote-11):
   1. Profitability of the route:

- Detail the estimate of costs and revenue resulting from the operation of the route during the first years of operation. In addition, outline the expected financial results. These results must demonstrate that the route is likely to be profitable once the start-up period for the route has ended, without incentives.

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- Estimate the minimum average fare necessary to make the route profitable in a scenario of 80% load factor. The amount must refer to one complete round trip; that is, it must include the inbound and outbound flights, breaking the fare down into two components (net fare and charges).

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- Justify why the airline would not have operated the route with regular services in the absence of the incentive.

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* 1. Results forecast of the route:

- Expected passenger volume and mean load factor per season for the route’s first years of operation.

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- Expected passenger profile.

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# IV.- Contact details.

1. contact person for the purposes of inquiries and follow-up[[12]](#footnote-12)

- Full name: ……………………………………………………………………….

- Telephone: …………………………………

- Email address: …………………………………………………………..

1. Head of route development

- Full name: ……………………………………………………………………….

- Telephone: …………………………………

- Email address: …………………………………………………………..

1. Person in charge of legal advice for this procedure

- Full name: ……………………………………………………………………….

- Telephone: …………………………………

- Email address: …………………………………………………………..

1. Operations must commence during week number 45 of the calendar, from Sunday 30th October to Saturday 5th November 2016. You are reminded that the airline is permitted to start operating the route before or even after the specified week. The proximity of the starting week of operations for the route chosen by the airline to the week proposed in the Notice of Call for Applications will be one of the assessment criteria for incentive applications. [↑](#footnote-ref-1)
2. Minimum one (1) frequency per week. [↑](#footnote-ref-2)
3. Minimum one (1) frequency per week. [↑](#footnote-ref-3)
4. Product of multiplying the total number of flights by the aircraft capacity. [↑](#footnote-ref-4)
5. Minimum 9,360 seats a year. [↑](#footnote-ref-5)
6. Minimum 9,360 seats a year. [↑](#footnote-ref-6)
7. To be completed in accordance with section III.- BUSINESS PLAN. [↑](#footnote-ref-7)
8. The Business Plan must establish a cost and revenue scenario associated with the operation of the new route based on expectations of the macroeconomic environment that will allow the route to operate and be viable after the start-up period. It will also contain the promotional and commercial activities that will help to achieve the results included in this scenario. [↑](#footnote-ref-8)
9. Indicate how you plan to promote and commercialise the route based on the operating conditions specified in section II.- MINIMUM REQUIREMENTS TO APPLY FOR THE INCENTIVE. [↑](#footnote-ref-9)
10. The route must be commercialised on the airline’s website. [↑](#footnote-ref-10)
11. Using a simulation of results, demonstrate the economic return of the route in terms of passenger volume, load factor and the expenditure/income ratio, based on the operating conditions laid down in section II.- MINIMUM REQUIREMENTS TO APPLY FOR THE INCENTIVE. [↑](#footnote-ref-11)
12. Contact person for the purposes of information and inquiries in relation to the Call for Applications in course and for the follow-up and monitoring of the performance of the incentive in accordance with the terms of **Term 10.2** of the **Terms governing the granting of the Flight Development Programme incentives** for the present procedure. [↑](#footnote-ref-12)