



**Malaysian
Aviation Commission**
Suruhanjaya Penerbangan Malaysia

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CIRCULAR ON THE BILLING AND COLLECTION OF THE MALAYSIAN AVIATION COMMISSION'S REGULATORY SERVICES CHARGES

To : Airlines operating in Malaysia, members of the Board of Airline Representatives, members of the Airline Operator Committee and aerodrome operators in Malaysia

The Malaysian Aviation Commission (Regulatory Services Charges) Regulations 2018 ("Regulations") has been gazetted on 23 March 2018 and will come into force on **1 May 2018**. The Regulations amongst others empowers the Malaysian Aviation Commission ("MAVCOM") to impose regulatory services charges ("**Regulatory Services Charges**") on each passenger departing on an aircraft from any aerodrome within Malaysia. The Regulations are available for viewing on our website www.mavcom.my.

The International Air Transport Association ("**IATA**") has been appointed by MAVCOM to collect the Regulatory Services Charges on its behalf. The collection will be performed via the IATA Settlement Systems, namely the Billing and Settlement Plan ("**BSP**") and the IATA Clearing House ("**ICH**"). The first invoice for the month of May 2018 will be generated in the month of June 2018.

Invoicing process

The Regulatory Services Charges will be invoiced on a monthly basis in the standard IATA format and will be sent to the designated person(s) of each airline. The invoice will be posted on IATA's Simplified Invoicing and Settlement ("**SIS**") platform.

For existing ICH members or airlines with active accounts on SIS, the invoices will be sent to their respective SIS accounts. Airlines which have yet to activate their SIS accounts are required to furnish their billing e-mail addresses to efs@iata.org to enable registration to be carried out and for login credentials to be provided to them. Take note that pending the activation of their SIS accounts, invoice notifications will be sent to the current email addresses in MAVCOM's records.

Settlement Process

BSP Members

The collection of the Regulatory Services Charges from airlines who are BSP members in Malaysia will be done via each member's BSP ticket sales and the Regulatory Services Charges will be invoiced in Ringgit Malaysia (MYR).



ICH Members

Settlement of the Regulatory Services Charges for airlines who are ICH members but who are not also members of the BSP Malaysia or who do not have sufficient funds in their BSP Malaysia accounts will be handled via the ICH. Airlines which fall under this category will be invoiced in United States Dollar (USD).

Non-BSP and non-ICH Members

Settlement of the Regulatory Services Charges for airlines who are neither BSP nor ICH members will be performed either through:

- (i) a direct debit from the relevant airline's Malaysian bank account for airlines who have a bank account in Malaysia; or
- (ii) a direct payment to IATA's bank account in Malaysia as stated in the invoice via the Electronic Funds Transfer (EFT) for airlines who do not have a bank account in Malaysia.

Airlines which fall under this category will be invoiced in Ringgit Malaysia (MYR).

Please be advised that a failure to remit the Regulatory Services Charges to the Commission is an offence under the Regulations and is punishable with a fine up to five hundred thousand ringgit.

Any questions or clarifications can be directed to:

Mr. Wizan Wan Nawang
Director, Finance & Corporate Services Department
Email: finance@mavcom.my
Tel: +603 2772 0635
Attention: Mr. Abdul Kadir Mohamed Abd Salam

MALAYSIAN AVIATION COMMISSION

A handwritten signature in black ink, appearing to read "Tan Sri", is placed above a horizontal line.

General Tan Sri Dato' Sri Abdullah Ahmad RMAF (R)
Executive Chairman