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Mr. Matthew Totten Jr
Acting Chief Executive Officer
AOPA Namibia
Windhoek

02 March 2023

Dear Mr. Totten Jr,

SUBJECT: PUBLIC NOTICE OF INTENTION TO AMEND PART 187 OF THE NAMIBIA CIVIL AVIATION AUTHORITY REGULATION OF 2001, AS AMENDED DATED 23 JANUARY 2023

The above-captioned matter bears reference.

We acknowledge receipt of your letter dated 23 February 2023 with reference to the above subject matter. We have taken note of your comments and appreciate your office's comments and in seeking clarity hereof.

Furthermore, please note that the NCAA does not recover all its costs as it should.

Having said the above, please see our response below:

1. First and foremost, it is important to realize that the national government pays and will continue to pay NCAA costs related to operational and capital expenditures. In fact, surveillance and oversight duties of the Regulator are part and parcel of the public good hence Government continues to own up to its responsibilities by funding the NCAA in undertaking oversight of safety and security.
2. To this end, license and certification fees, in particular for general aviation, are not even near-cost recovery measures. General aviation contributes less than 5% to the NCAA's total revenue, therefore it is not correct to indicate that the NCAA is out there to make a profit. The NCAA audited annual financial statements since its inception indicate the position of no profit and any revenue made, the Civil Aviation Act of 2016 section 24 (1) requires that NCAA must utilize the funds to defray expenses of the Authority. The NCAA audited Annual Financial Statements since inception are available on our website for public consumption.

3. The reviewed fees are proposed to be amended with a 30% increase across the board for all existing fees and this was informed by the cumulative inflation between 2018 to 2023. Similarly, new fees have been introduced where none existed.
4. The calculation of the fees took into consideration the impact of Covid-19 and after a thorough benchmark with other SADC Civil Aviation Authorities, we are pleased to confirm that NCAA's fees are the lowest in relation to other Civil Aviation Authorities. In the same vein, Namibia has seen an upward trend in air traffic movements which stands above 50% of pre-Covid- 19 levels which is a good sign of economic recovery.
5. The notion of charging an hourly rate is standard practice in the aviation sector, and measures will be put in place to account for the billable costs. The same is being practiced at the South African Civil Aviation Authority and many others.
6. With respect to Part 171, 172, 173, 174, and 175 we believe that AOPA will agree with us that the proposed fees are fair and reasonable.
7. The NCAA is not a commercial public enterprise, however in any operating business environment, including regulatory organisations are expected to operate on a cost recovery principle. Accordingly, the Namibia Civil Aviation Authority (NCAA) adopted a principle of cost recovery.
8. Due consideration should be made that it takes considerable resources to train an inspector and to render regulatory services.

Be assured that the NCAA values its stakeholders in promoting and developing the aviation sector. We look forward to further engagements with AOPA on the subject matter.

Please accept, Mr. Totten Jr. the assurances of my highest consideration.

Yours sincerely,


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Ms. Toska Sem
Executive Director

