

# The Indonesian Rules of Fare Advertising

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# The Enacted Regulations

- (a) Law No. 1 Year 2009 on Aviation;
- (b) Minister of Transportation Regulation No. PM 185 of 2015 on Standard Service for Passengers of Domestic Scheduled Commercial Air Transportation; and
- (c) Minister of Transportation Regulation No. PM 20 of 2019 on Procedure and Formulation of Calculation of the Upper Tariff Limit for Passengers of Domestic Scheduled Commercial Air Transportation.

# What are the Components of Airfare?

## Scheduled Domestic Flight (Economy Class)

- distance rates;
- taxes;
- mandatory insurance premium; and
- surcharges.

[The Indonesian Aviation Law of 2009, art. 126(3) and MoTR No. 20/2019, art. 2]

# Passengers' Entitlement to Full Transparency of Airfare

## Scheduled Domestic Flight (Economy Class)

**The Indonesian Aviation Law of 2009, art. 127,**

- > obligation to publish the tariff to public.

**MoTR No. 20/2019, art. 26 - an airline must disclose,**

- > details of the airfares components within the ticket;
- > amount of Aircraft Passenger Service Charge (*PJP2U* or PSC) on the ticket.

# Passengers' Entitlement to Full Transparency of Airfare

## Scheduled Domestic Flight (Economy Class)

**MoTR No. 20/2019, art. 20,**

- > price floor and price ceilings are applicable;
- > obligations to publish the new price ceilings, including its amendment, no later than 15 days,
  - > MoT: at its official website; and
  - > airline: through media and/or installed at ticket point of sale and at the airport.

# Administrative Enforcement and Sanctions

## Prohibition of selling tickets above the ceiling price

- warning and/or revocation of flight route permit;
- however, until 2017, the regulation is silent when it comes to the failure of informing transparency of the (new ceiling) price.

[The Indonesian Aviation Law of 2009, art. 127(4-5)]

# Administrative Enforcement and Sanctions

## Failure to Publish the Ticket Price Components

No.	Violation	Administrative Sanction					
		SP I	SP II	SP III	Suspension	Unit Penalty	Revocation
1.33	Violation of tariff (price ceiling, price floor, imposition of additional charges without the Minister's approval, <b>failure to publish the ticket components</b> ) by the economy-class airline.	<b>7 days</b>	<b>7 days</b>	7 days and delay of route license approval	First, reduction of frequency  Then, suspension of route license	n/a	Reduction of frequency  or Revocation of route license

\* SP: Letter of Warning / Stern Written Notice

[MoT Regulation No. 78 Year 2017, Attachment I Figure 1.33]

# Online Travel Agent/Platform Call Centre 151

# Thank you for your kind attention!

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