

# A BREAKDOWN OF THE PRICE OF AN AIRLINE TICKET

Air transport is subject to a bevy of taxes and fees that are reflected in the price of an airline ticket. These levies, often specific to national regulatory environments, can represent up to 40% of the price of the ticket, to which are added the general contributions and taxes common to all businesses (taxes on earnings and salaries, on consumption and on assets). Most of them are necessary for the smooth running of airport activities, though certain funds are also redistributed to other sectors of the economy.

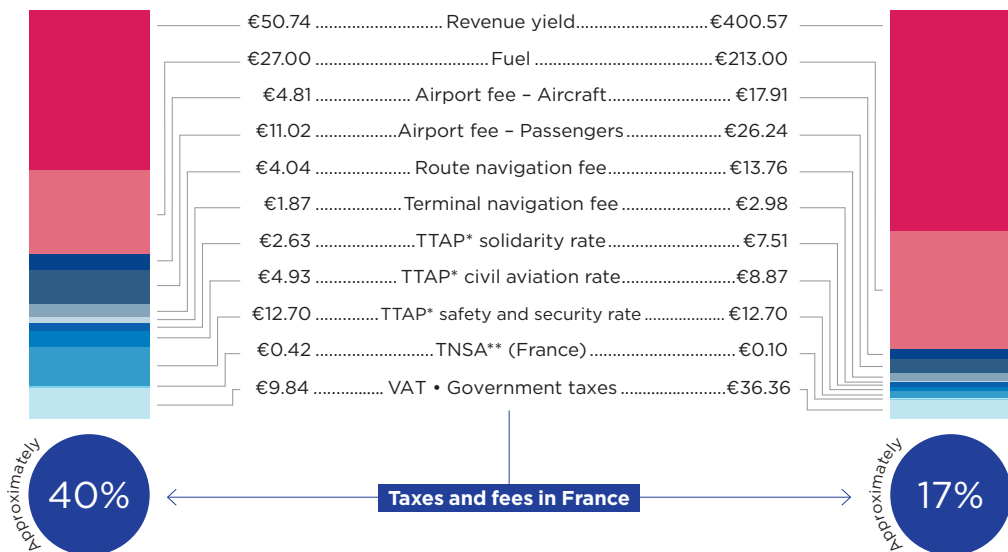
## Breakdown of the price of an Air France airline ticket

### ONE-WAY BETWEEN PARIS (CDG) AND NICE (NCE)

Average amount: **€130** including tax

### ONE-WAY BETWEEN PARIS (CDG) AND NEW YORK (JFK)

Average amount: **€740** including tax



\*TTAP: Taxe sur le Transport Aérien de Passagers [French Passenger Air Transport Tax].

\*\*TNSA: Taxe sur les Nuisances Sonores Aériennes [French Noise Tax].

## Taxes and fees in France

French companies are subject to a number of tariffs grouped together under the name “**Passenger Air Transport Tax.**” These specific government levies include:



### THE CIVIL AVIATION RATE

This funds the operational and legal monitoring activities of the central administration, the DGAC (Direction générale de l'aviation civile [French Civil Aviation Authority]). **The aviation sector is unique in that it funds its administration's functioning. In the other EU countries, services are state funded.**



### THE SAFETY AND SECURITY RATE

This levy, formerly the airport tax, funds government projects within airports. **France is the only OECD (Organization for Economic Co-operation and Development) country in which security and safety investments in airports are fully funded by the operators.** Furthermore, the increase earmarked to cover the deficit from the COVID years alone could represent **€35 million in added costs for Air France.**



### SOLIDARITY RATE

**This is intended to fund development assistance to poor countries.** This rate, applied in some 10 countries, has been topped up in France since 2020 with an eco-contribution to fund railway infrastructure.

In addition to government taxes, **airport and navigation fees are added** to compensate airport managers for the services and facilities they offer, whether for equipment for receiving passengers, air traffic control services or the infrastructure required for aircraft operation (runways, parking lots, ground equipment, etc.).

## Fuel prices



**Fuel prices make up 25% of operating costs on average**, a share that varies widely depending on the price of raw materials and the distance travelled. In the medium term, incorporating sustainable aviation fuel (SAF) will increase this cost considerably as its price per tonne is currently four to eight times that of kerosene.

### AN INFLATIONARY TREND FROM NOW UNTIL 2035

In the years to come, **the expenses of the decarbonization imperative may multiply by a factor of 12** for the Air France Group.

Regulatory measures (incorporation of sustainable aviation fuels; the price of the European carbon emissions quotas, or ETS [Emissions Trading System]; domestic and international compensation measures; kerosene tax) **will reach over €2 billion a year by 2030.**

### BY 2030

**€80 more**

**per passenger** for a medium-haul round-trip flight (approximately 3,000 km)\*

**€140 more**

**per passenger** for a round-trip flight of 19,000 km (e.g., Nice-Singapore)

\*According to the NLR (Royal Netherlands Aerospace Centre) and SEO Amsterdam Economics study on the impact of the EU's "Green Deal Fit for 55" measures package published in March 2022.



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