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| **THE MINISTRY OF TRANSPORT -------** |  **SOCIALIST REPUBLIC OF VIETNAM  Independence - Freedom - Happiness  ---------------** |
| No. 14/2015/TT-BGTVT | *Hanoi, April 27, 2015* |

**CIRCULAR**

ON NON-REFUNDABLE FIXED COMPENSATION IN AIR PASSENGER TRANSPORT

**THE MINISTER OF TRANSPORT**

*Pursuant to the Law on Civil aviation of Vietnam No. 66/2006/QH11; Law on amendments to the Law on Civil aviation of Vietnam No. 61/2014/QH13;*

*Pursuant to Decree No. 107/2012/NĐ-CP dated December 20, 2012 of the Government defining the functions, tasks, entitlements and organizational structure of the Ministry of Transport;*

*At the request of Director of Legal Department and Director of the Civil Aviation Authority of Vietnam;*

*The Minister of Transport issues a Circular on non-refundable fixed compensation in air passenger transport.*

**Chapter I**

**GENERAL PROVISIONS**

**Article 1. Scope and regulated entities**

1. This Circular promulgates non-refundable fixed compensation (hereinafter referred to as compensation) in air passenger transport in Vietnam given to passengers who received confirmed reservations on flights in the event of denied boarding, flight cancellations, or long delays of flights due to faults of carriers.

2. This Circular applies to organizations or individuals involved in compensation in air passenger transport in Vietnam.

**Article 2. Interpretation of terms**

1. “Non-refundable fixed compensation” means a compensation payment in cash or other appropriate forms which is paid to passengers by the carrier in accordance with regulations of law, irrespective of actual damage of the passengers.

2. “Denied boarding passenger” means any passenger who had a ticket and received a confirmed reservation on the flight but that passenger is denied boarding by the carrier.

3. “Flight cancellation” means the failure to operate a flight whose schedule for reservation and ticketing is announced on the reservation and ticketing system of the carrier within 24 hours prior to the scheduled departure time.

4. “Long delay of flight” means a flight having actual departure time (when aircraft chock is removed) of more than 4 hours later than its scheduled time according to flight schedule of the carrier which is updated by 3 p.m of the date preceding the date on which the flight is operated.

5. “Carrier” means an airline actually operating flights.

6. “Confirmed reservation” means statement from the carrier that the passenger has had a seat on the fight.

**Article 3. Rules for compensation**

1. The compensation shall be given to passengers in event of denied boarding, flight cancellations or long delays of flights in the flights departing from Vietnam.

2. The fulfillment of obligations to compensation shall not affect to fulfillment of other obligations of the carrier in air passenger transport as prescribed in regulations of law.

3. If the carrier is subject to compensation payment for damage under civil liability, the compensation payment prescribed in this Circular shall be deducted from the former compensation payment.

**Chapter II**

**OBLIGATIONS OF CARRIERS AND RIGHTS OF PASSENGERS**

**Article 4. Obligations of carriers**

1. Providing passengers having tickets or receiving confirmed reservation with compensation levels as prescribed in Article 8 of this Circular in the event of denied boarding, flight cancellations or long delays of flights, except for cases subject to exemption for liability prescribed in Article 5, Article 6 and Article 7 of this Circular.

2. Providing Transport regulations on compensation policies and compensation levels which are not lower than those prescribed in this Circular.

3. Announcing information about passengers entitled to compensations, compensation levels, specific methods, terms and addresses for compensation on the website(s) of the carrier, airport(s), representative office(s) or ticket office(s) and system of ticket agents of the carrier.

4. Providing airport authorities or airport enterprises with information about reasons for flight cancellations, long delays of flights right after the decision on flight cancellation or long delay of flight is issued for observation and update of information system of airports.

5. Providing the Airport authorities where the flight is expected to depart with reports on compensation for any flight having passengers in the event of denied boarding, flight cancellations, or long delays of flights no more than 24 hours later than scheduled departure time (for flight cancellations) or than actual departure time (denied boarding or long delays of flights) using forms prescribed in Appendix of this Circular.

6. Receiving and dealing with complaints of passenger in the event of denied boarding, flight cancellations, or long delays of flights.

7. Keeping records of contact addresses of passengers, such as: mobile phone numbers, home phone numbers, email addresses or phone numbers of their relatives if it fails to contact them directly in order to provide the passengers with information about flight cancellations or long delays of flights no more than 24 hours earlier than scheduled departure time, which are used as bases for immunity from responsibility prescribed in Clause 1 Article 7 of this Circular.

**Article 5. Carrier’s immunity from responsibility for denied boarding**

The carrier shall be immune from obligations to pay compensation in the invent of denied boarding regarding any passenger having ticket and receiving the confirmed reservation or being on the journey as prescribed in Law on civil aviation of Vietnam, in particular:

1. The health problem of the passenger may cause damage to such passenger, other passengers or the flight.

2. The passenger is denied boarding to prevent epidemic diseases.

3. The passenger fails to conform to regulations on aviation safety, aviation security, aviation transport, or penalties for administrative violations against civil aviation.

4. The passenger violates public order, endangers flight safety or creates negative effects on lives, health and assets of other people.

5. The passenger under the influence of alcohol or other drugs loses control of his/her behaviors.

6. The passenger is denied boarding due to security reasons notified by a competent agency.

7. The passenger is denied boarding at the request of a competent agency.

**Article 6. Carrier’s immunity from responsibility for flight cancellations or long delays of flights**

The carrier shall be immune from obligations to pay compensation in the event of flight cancellations or long delays of flights due to one of following reasons:

1. Weather condition causes negative effects on flight safety.

2. Security risks cause negative effects on flight safety.

3. The flight is cancelled or long delayed according to the decision of a competent agency.

4. The flight is not operated due to health problems of passengers (they suffer serious illnesses or die after boarding).

5. Scheduled airplanes are sabotaged or fleets of airplanes are sabotaged.

6. The flight is not operated due to armed conflicts, political instability or strikes.

7. Aviation infrastructure or flight operational assurance fails to ensure the flight operation.

8. Technical problems occur during the operation of the airplane, from the time the captain signs the record on receipt of aircraft ready for flight operation until the end of the flight.

9. Each passenger is offered re-routing to the same destination in another flight and results in the passenger arriving no more than 4 hours later than the scheduled arrival time of the flight on which the confirmed reservation is received.

10. Each passenger is offered re-routing to the same destination in another flight and results in the passenger arriving no more than 6 hours later than the scheduled arrival time of the connecting flight if the destination is a connecting point in the journey of the passenger.

11. Other force majeure events occur.

**Article 7. Carrier’s immunity from responsibility for other cases**

1. The carrier shall be immune from obligations to pay compensation if it may prove the fact of one of following cases:

a) The carrier has provided the passenger with notice of flight cancellation or long delay of flight in speech or by messages or emails no less than 24 hours prior to the scheduled departure time under addresses prescribed in Clause 7 Article 4 of this Circular; or the carrier has made 02 telephone calls from 7 a.m to 10 p.m if the first call is not connected, the period of time between the first call and the second call is at least 20 minutes;

b) The passenger does not register contact information as prescribed;

c) It fails to contact with the passenger according to his/her registered information.

2. The carrier is immune from obligations to pay compensation to the passenger who is traveling on a free ticket or discounted ticket applied to Industry Discount Ticket or Agent Discount.

3. The carrier is immune from obligations to pay compensation to the passenger who did not arrived for check-in at the airport or another place agreed with the carrier.

4. The carrier shall be immune from obligations to pay compensation to the passenger who voluntarily cancel the confirmed reservation.

**Article 8. Compensation levels**

1. Compensation levels for a domestic flight paid to each passenger:

a) A flight of less than 1,500 km in distance: VND 200,000;

b) A flight of greater than 500 km but less than 1,000 km in distance: VND 300,000;

c) A flight of greater than 1,000 km in distance: VND 400,000;

2. Compensation for an international flight paid to each passenger:

a) A flight of less than 1,000 km in distance: 25 USD;

b) A flight of greater than 1,000 km but less than 2,500 km in distance: 50 USD;

c) A flight of greater than 2,500 km but less than 5,000 km in distance: 80 USD;

d) A flight of greater than 5,000 km: 150 USD;

3. The carrier may regulate its compensation levels provided that they are not lower than compensation levels prescribed in Clause 1 and Clause 2 of this Article.

**Article 9. Methods and deadlines for compensation payments**

1. The carrier may provide passengers with compensation payments by following methods:

a) In cash;

b) By bank transfer or other appropriate payment intermediary services at the requests of passengers. With regard to aforesaid method, the carrier is obligated to make compensation payments within 14 working days from the date on which the request of the passenger is received;

c) By free tickets, reimbursement vouchers for further use of the carrier’s service or other free services in case of approval of the passenger.

2. If a passenger is denied boarding due to faults of the carrier, the carrier is obligated to provide the passenger with the compensation payment:

a) At the airport where the passenger is denied boarding;

b) At the branch or the representative office appointed by the carrier according to agreement with the passenger if that passenger follows procedures at a place other the airport;

c) Into the account provided by the passenger if the method prescribed in Point b Clause 1 of this Article is selected.

3. For flight cancellation, the carrier is obligated to provide the passenger with compensation payment:

a) At the airport where their flight is cancelled,

b) At the branch or the representative office of the carrier at the request of the passenger or appointed by the carrier within 14 working days from the date on which the flight is cancelled;

c) Into the account provided by the passenger if the method prescribed in Point b Clause 1 of this Article is selected.

4. For long delays of flights, the carrier is obligated to provide the passenger with compensation payment:

a) At the airport where their flight takes off or lands;

b) At the branch or the representative office of the carrier at the request of the passenger or appointed by the carrier;

c) Into the account provided by the passenger if the method prescribed in Point b Clause 1 of this Article is selected.

**Article 10. Rights of passengers**

1. Receiving information as prescribed in Clause 3 Article 4 of this Circular.

2. Receiving compensation payment from the carrier according to methods and terms prescribed in this Circular.

3. In case the passenger fails to receive any compensation payment or the compensation level is not offered in accordance with this Circular, the passenger shall send a request to the carrier within 90 days from the scheduled departure time of the flight.  Within 7 days from the date on which the request is received, the carrier is obligated to send response to the compensation payment as prescribed in this Circular.

4. Suing the carrier for compensation payments as prescribed in civil law if he/she does not agree with the decision of the carrier prescribed in Clause 3 of this Article.

**Article 11. Obligations of passengers**

1. Providing sufficient and accurate information as prescribed in Clause 7 Article 4 of this Circular.

2. Sending notifications of methods and terms for compensation to the carrier.

**Chapter III**

**IMPLEMENTATION**

**Article 12. Responsibilities of the Civil Aviation Authority of Vietnam**

1. Announcing lengths of domestic and international flights departing from Vietnam which are bases for compensation payments prescribed in Article 8 of this Circular.

2. Inspecting and dealing with implementation of compensation payments in air passenger transport.

**Article 13. Responsibilities of the Aviation Authorities**

1. Posting flight lengths and regulations of this Circular publicly at airports.

2. Inspecting and dealing with fulfillment of obligations of the carrier regarding passengers in the event of denied boarding, flight cancellations or long delays of flights as prescribed in this Circular.

3. Sending monthly or irregular reports on inspection of implementation of this Circular at the request of the Civil Aviation Authority of Vietnam.

**Article 14. Responsibilities of airlines**

Airlines must update information about flight cancellations or long delays of flights on the information system of the airport right after information pieces provided by the carrier as prescribed in Clause 3 Article 4 of this Circular.

**Article 15. Effect**

1. This Circular comes into effect from July 1, 2015.

2. Decision No. 10/2007/QĐ-BGTVT dated February 27, 2007 of the Minister of Transport on decision on compensation in air passenger transport shall be annulled.

3. Chiefs of the Ministry Offices, the Chief Ministry Inspector, Directors of the Civil Aviation Authority of Vietnam, Heads of agencies, relevant organizations or individuals shall take responsibility for implementation of this Circular./.

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|   | **MINISTERDinh La Thang** |