



DUBAI HAS NO PLANS TO FOLLOW BAHRAIN WITH AIRPORT TAX, SAYS CEO

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Dubai has no plans to follow Bahrain's example and introduce an airport tax, part of its island neighbour's plans to boost revenues in the wake of the falling oil price.

Muharraq Municipal Council in Bahrain earlier this month said it was considering proposals to introduce a new airport tax charge of US\$26 (Bhd10) at Bahrain International Airport, as part of a wider plan to increase revenue.

Gulf Daily News reported that the new revenue stream could generate over US\$2 million per year for Bahrain if it gets approval from the Works, Municipalities and Urban Planning Affairs Ministry and the Transportation and Telecommunications Ministry.

Despite the UAE also experiencing falling oil revenues, Paul Griffith, CEO of Dubai Airports, said it had no plans to follow Bahrain and introduce a similar charge.

"I don't think that our financial motivations are at all related to the oil price. Our traffic continues to record record levels, our forecasts continue to be exceeded every year so there is no relativity in

my mind in the price of oil and the charges we put at the airport," said Paul Griffith, CEO of Dubai Airports.

"In fact, our airline customers are enjoying lower costs as a result of the air price as there is higher demand. Traffic is booming and our revenues are going up."

Latest figures released earlier this month so Dubai International Airport's passenger numbers rose 9.5 percent in August.

Traffic rose to 7.28 million passengers from 6.65 million a year earlier, Dubai Airports said, taking the total so far this year to 52.3 million, up 12.4 percent.

Growth in traffic was propelled by inbound traffic of residents returning from late-July Eid holidays, as well as by increased capacity to regions of North America, Russia and Commonwealth of Independent States by airlines Emirates and flydubai.

"Russian traffic is growing and I think the strength of that market is coming back. All the markets are recording good growth figures," Griffith added.

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