Global Airport Slot Allocation Guidelines

Purpose: Information
Submitted by: IATA
1. INTRODUCTION

1.1. The 35th APEC Transportation Working Group (TPTWG), Air Services Working Group (AEG-SRV), agreed to the compilation of the APEC Slot Allocation Guidelines. Reference to the members’ approach for slot allocation is made in accordance with a consideration for airport access. Some members have made reference to the International Air Transport Association (IATA) Worldwide Slot Guidelines (WSG) as their method of approach, while other members have implemented a unilateral approach. The lack of a single approach causes concern for airlines who require consistency when planning future air services across member economies and broader destinations.

1.2. The issue of airport slot allocation is by definition a global process requiring global standards and the involvement of all stakeholders in the process, without placing unnecessary constraints on the development of the worldwide air transport system. The WSG represent globally accepted best practice for member economies, airlines and airport regulators that need to optimize scarce airport capacity. They ensure that slots at capacity-constrained airports around the world are allocated to airlines using consistent policies, principles and processes, based on four cornerstones: certainty of access, flexibility to meet changing market needs, sustainability of costs and transparency of allocation, regardless of whether traffic at a given airport is primarily international or domestic, full service or low-cost, passenger or cargo.

1.3. A slot represents the approval that an airline needs to access the full range of airport infrastructure necessary for an aircraft to arrive at or depart from an airport on a specific date and time. The guidelines must work consistently worldwide to ensure that the slot allocated at one end of the route is allocated in the same time frame to the same priorities and with the same user requirements at the other end of the route, ensuring stability, predictability and standardization globally.

1.4. At an increasing number of airports, infrastructure development has failed to keep up with growth. As a result, airport access is constrained by a lack of infrastructure availability. The number of capacity constrained airports is increasing: six years ago there were 142 coordinated airports globally; today there are 178 fully slot coordinated airports. IATA predicts that globally demand for air travel will double in the next 20 years; without the airport infrastructure to support this economies will have to rely on demand management solutions such as airport slots. The growth of slot coordination in APEC economies is even more dynamic; with growth in revenue passenger kilometres (RPKs) exceeding industry averages and economies predicted to
outperform other global regions, it is likely the number of slot coordinated airports will substantially increase in the member economies.

1.5. As the WSG state, coordination is not a solution to the fundamental problem of a lack of airport capacity but rather an interim solution to manage congested infrastructure until the longer term solution of expanding airport capacity is implemented. The air transport industry and member economies should concentrate efforts on providing sufficient capacity, so that less slot coordination is needed than we currently have today and predict in the future, while ongoing efforts to keep the WSG relevant and optimal continue.

2. DISCUSSION

Recognizing the current involvement of member economies, while protecting the paramount need for global consistency.

2.1. The WSG has continually evolved since 1974 to address the challenges raised by a constantly changing and growing industry; it is a ‘living document’ that ensures the optimal allocation of scarce airport capacity for the benefit of the entire air transport industry, consumers and local communities. Slot allocation processes must be kept consistent, relevant and applicable to ensure the smooth operation of commercial aviation. The input of all stakeholders in this process, including the opportunity to propose amendments to the WSG, is welcomed and encouraged by IATA.

2.2. The stakeholders involved in the slot allocation process include member economies’, airport operators, airlines, slot coordinators and air traffic management organizations. IATA recognizes the need for the involvement of each of these parties in defining the policies and processes of tomorrow, and welcomes the participation of the member economies.

2.3. In addition to the ongoing review and revision of the WSG, and following the recommendations of the International Civil Aviation Organisation (ICAO) during the 6th ICAO Air Transport Conference in 2013, the aviation community has agreed to establish an in-depth Strategic Review of the guidelines. This was welcomed by the Economic Commission at the 39th ICAO Assembly in 2016, where IATA and Airports Council International (ACI) jointly advised ICAO of the joint initiative underlining that “the slot allocation process must ensure transparency, certainty, consistency, fairness and non-discrimination; and importantly …. remains globally harmonized.”

2.4. The involvement of the member economies stakeholders is an important part of the Strategic Review and IATA supports their involvement in this process. Global consistency should be front of mind when developing any compilation of slot allocation guidelines for a broad representation of economies, otherwise there is a serious risk to the globally harmonized process that the industry and economies benefit from today. The WSG Strategic Review aims to provide a globally consistent and optimised guidance for slot allocation reflecting the best practices recognised today and need to provide fair, equitable access to congested markets both now and in the future.
2.5. The industry standard process for slot allocation is for an independent and neutral slot coordinator to manage the process, in accordance with capacity parameters provided by the airport authority. To this end, the WSG promote the slot coordinator as functionally and financially independent of all interested parties, acting in a neutral, transparent and non-discriminatory way. No other stakeholder is able to fill this neutral role, and IATA therefore respectfully advocates that the involvement of the independent slot coordinator is necessary for non-discriminatory slot allocation and access to congested markets.

Suggested path forward.

2.6. IATA respects that individual member economies may choose to allocate slots according to their own unique process, however we advocate strongly that any slot allocation process is designed in accordance with the WSG principles. IATA respectfully recommends that existing industry working groups and fora established to undertake the WSG Strategic Review provide an opportunity for APEC economies to input their concerns regarding the current slot allocation process, especially where they have considered a need for divergence from the WSG. IATA remains committed to one single, consistent, global set of principles designed to managing scarce airport capacity, for the continued value aviation brings to the member economies.

2.7. Member economies are fundamental partners in developing robust airport slot management policies and procedures that benefit the air transport industry and their passengers. IATA is committed to the involvement of key contributors from across the industry in the upcoming Strategic Review of the WSG to provide one single global standard for future years. IATA looks forward to continuing to work collaboratively with the member economies, to address slot allocation considerations and optimise fair and equitable access to congested markets whilst minimising congestion.

3. RECOMMENDATION TO TPTWG44

3.1. The Member Economies are invited to:

   a) Recognize the WSG Strategic Review as the industry fora for optimizing slot allocation processes.

   b) Agree the slot allocation process must be managed by an independent and neutral slot coordinator to ensure transparency, certainty, consistency, fairness and non-discrimination; and importantly remain globally harmonized to provide fair, equitable access to congested markets both now and in the future.