Worldwide Airport Slots
Fact Sheet

Airport slots are a solution to a lack of airport capacity. Pre-assigned take-off and landing slots are required to avoid chaos at airports where the infrastructure cannot match demand; allocating that capacity to airlines in a fair, neutral and transparent manner should be the role of an independent slot coordinator. This ensures the aviation industry can continue to grow and provide consumers the choice, destinations and connectivity they demand.

Unfortunately, the number of capacity constrained airports continued to grow pre-crisis. In summer 2019 there were 204 slot coordinated airports worldwide. Annually 1.5bn passengers depart from a slot coordinated airport, that's 43% of global departing passengers.

The Worldwide Airport Slot Guidelines (WASG) (formerly the Worldwide Slot Guidelines) has been developed by airlines, airports and slot coordinators to provide a practical solution that can be applied to any airport globally to allocate slots each season and manage a shortage of capacity. The WASG, however, must be applied consistently and in entirety for the benefits to be fully realized at congested airports. It is built on four cornerstones:

1. Certainty of access
2. Flexibility to mix and match slots to meet operational challenges and changing market needs
3. Sustainability of costs
4. Transparency of allocation

The decision to implement slot management at a given airport should only be determined by the responsible regulatory authority following a thorough demand and capacity analysis and consultation with airlines and other stakeholders. Such analysis should be undertaken regularly and proficiently to underpin the declaration of available capacity for slot allocation each season. The WASG cannot deliver more capacity, only make best use of what’s declared to be allocated.

Finally, slot allocation must be viewed as a solution to the fundamental problem of a lack of capacity until the longer-term solution of expanding airport capacity is implemented. For more information on the WASG and slots, visit www.iata.org/slots

COVID-19 and alleviation from normal slot use rules

The imposition of travel restrictions, border closures and subsequent retraction in demand due to the COVID-19 pandemic decimated airline networks. It was essential the normal rules requiring airlines to use every single slot series at least 80% of the season were relaxed immediately1. Through 2021, the aviation industry continued to operate with no certainty whether travel restrictions would be removed and for how long: on international routes particularly, the industry is still awaiting a period of stability to establish following the eventual reopening of markets to allow consumers the much-needed confidence to book for longer periods in advance.

Slot Waivers: Through the Northern Summer 2020 and Northern Winter 2020-21 seasons, slot use waivers were granted at all slot coordinated airports globally.

WASB Recommendation: Considering the continued lack of predictability, certainty or stability in the global aviation network, the Worldwide Airport Slot Board (WASB)2 proposed a package of slot alleviation measures for the Northern Summer 2021 and Northern Winter 2021-22 season. The approach to alleviate on normal slot use rules provides certainty of the rules, flexibility to adopt to changing conditions, while moving forward from full waivers. A significant number of regulators adopted this approach for NS21 and NW21.

1 See - The use-it-or-lose-it rule (80/20 rule) is not about a carrier’s entire slot allocation but about each series of slots section
2 ACI, IATA and the WWACG established the WASB as a new industry-wide governance structure for the WASG and development of slot policy. The WASB members represents all regions of the industry.
Northern Winter 2021-22: Slot relief remains an essential element of the recovery – providing much needed flexibility to restore schedules in line with demand, as/when restrictions change. For NW21 slot relief has been granted at all but one of the 170 Level 3 airports globally, with regulators either adopting the WASB approach or extending full waivers. The EU Commission adopted a more limited alleviation despite the continued lack of intercontinental recovery, which requires all airlines operating to and within the EU to use at least 50% of all their series of slots. Where travel restrictions remain in place and there is no ability to operate sustainably, carriers have to apply for justified non-utilisation of their slots. This is a critical concern heading into the NW21 season for our members.

IATA’s View on the management of slots and the WASG

- **Slots are not the problem – lack of infrastructure is.** Airports need to do more to increase the operating capacity of existing infrastructure and governments need to encourage and facilitate timely and cost-effective expansion of congested airports and airspace. The WASG cannot deliver more capacity, only make best use of what’s declared to be allocated.

- **Therefore, effective analysis of capacity and demand is essential,** to allow all available capacity to be declared for slot allocation and use. Today this process is lacking at many coordinated airports, and in the short term could expose vital additional capacity.

- **We are a global industry – we need a global approach to slots** i.e. the WASG. Aviation is the most global of industries, so where capacity constraints exist, there is a need for a single, harmonized, global set of guidelines. The basic principles of slot management are transparency, certainty, flexibility and sustainability. Flights operate between two airports; it’s vital that the rules at both ends work consistently and in harmony.

- **The WASG is jointly published by IATA, Airports Council International (ACI) and the Worldwide Airport Coordinators Group (WWACG).** The WASG is the result of airport operators, airlines and slot coordinators working together to modernize and improve the slot guidelines.

- **The WASG performs well at congested airports.** It may not be perfect but challenges to the WASG are disproportionately focused on London Heathrow and a very small number of other airports (Amsterdam, Hong Kong) that are essentially in a separate category that could be called ‘super congested’. Major low-cost carriers use a significant number of slots at congested airports and are firm supporters of the WSG, which has enabled them to enter congested markets and grow and compete with certainty.

- **Consumers benefit from the WASG** because it allows airlines to deliver a network of routes, offering choice at the prices they demand, building connectivity globally.

- **As a long-term approach, we are always open to evaluating alternatives,** so we have been looking (and are still looking) to see if there is a better long-term approach to allocating and managing scarce capacity. Through research and analysis, it has been found that there is no better solution out there today; auctions, peak pricing and computational allocation only cause cost and complexity which will harm global connectivity for consumers.

- **The WASG delivers competition, growth and access to ever-congested airports** in a simple and practical process that is fair, neutral and sustainable. Low cost carriers have entered congested airports with the WASG in place, and have grown and competed with incumbents, thus driving benefits for consumers and economies alike. But importantly this is balanced with the need to promote stability and certainty in schedules to support growth in routes and networks which brings connectivity. Slot mobility (swapping or transferring slots to other airlines in a secondary process) allows airlines to best use slots to meet consumer demand with speed and agility.

- **Although it is not perfect, the WASG remains the best long-term solution to managing scarce capacity.** Without such a harmonized global standard, the inevitable result would be governments and airports around the world using a confusing patchwork of (often conflicting) systems for allocating and managing slots that would cripple airlines’ efforts to provide their customers with the services they want, to the places they want to fly, when they want to fly and at a price they want to pay. The economic and social value created by global connectivity would be negatively impacted.
What are the objectives of the WASG – is it about protecting slots for airlines?

- No, the primary objective of airport slot coordination remains ensuring the most efficient declaration, allocation and use of available airport capacity in order to optimize benefits to consumers, taking into account the interests of airports and airlines.

- At the more granular level, the following additional objectives support the WASG:
  - To facilitate consumer choice of air services, improve global connectivity and enhance competition at congested airports for passengers and cargo
  - To provide consumers with convenient schedules that meet demand, are consistent from one season to the next, and reliable in terms of their operability
  - To ensure that slots are allocated at congested airports in an open, fair, transparent and non-discriminatory manner by a slot coordinator acting independently
  - To realize the full capacity potential of the airport infrastructure and to promote regular reviews of such capacity and demand that enable effectual capacity declarations for slot allocation on a seasonal basis
  - To balance airport access opportunities for existing and new airlines
  - To provide flexibility for the industry to respond to regulatory and changing market conditions, as well as changing consumer demand
  - To minimize congestion and delays

Why Not Auction Slots to the Highest Bidder?

- Auctioning adds costs and uncertainty to the slots process with potentially disastrous outcomes for consumers.
- It will lead to distortions between carriers and reduce choice and connectivity for consumers. It may create perverse incentives to reduce the creation of new capacity to keep the values high for those receiving the revenue.

It would not actually solve the issue of allocating capacity – detailed and precise coordination is needed to match the capacity available to the planned operation at these incredibly constrained airports. Auctioning would result in far less efficient allocation of scarce airport capacity.

What About Secondary Trading – Isn’t that a Form of Auction?

- Secondary trading is a better solution than primary auctions; secondary trading facilitates slot mobility (i.e. the movement of slots between airlines) and access to congested airports even when no slots are available through the general pool
- It provides for some flexibility in the system and allows slots to be traded which may allow new entrants or new routes to more in-demand destinations

But it remains a niche solution in particular circumstances, rather than a general principle. It is only used at airports where there is little to no capacity remaining.

New Entrants – Are They Really Blocked from Accessing Congested Airports?

- The WASG already provides for 50% of available capacity to be allocated to new entrants.
- The rules of the WASG have developed to provide a balance between offering capacity to new entrants while providing for stability and reliability generated by carriers who have consistently operated slots over time.
- The WASG does not just benefit ‘legacy airlines’. Major low-cost carriers use a significant number of slots at congested airports and are firm supporters of the WASG. These airlines have grown and flourished, despite a severe lack of airport capacity and compete directly with established carriers at congested airports.

The inability to gain access to super-congested airports is not a reflection of the access opportunities provided by the WASG at the majority of airports globally, but a fundamental problem from a lack of airport capacity.
The use-it-or–lose-it rule (80/20 rule) is not about a carrier’s entire slot allocation but about each series of slots

- The 80/20 rule promotes positive utilization of scarce airport capacity.
- The 80/20 rule offers airlines the certainty to publish tickets almost 1 year in advance of operation which allows consumers to plan and buy travel in advance.
- Technical problems, bad weather, strikes, and other issues can prevent a flight taking off. Flexibility is vital to keep the system running.
- Poor performing services are identified in isolation and judged for improvement, without negatively impacting well performing services.
- Losing a whole series of slots for the next season because of a few flights not operated will make planning and investment much less predictable. Both carriers and their passengers need this predictability.
- Efficiency at slot restricted airports is already now at more than 90%. This is because a slot not utilized as part of a series can still be allocated and used by another carrier.

Today the 80/20 rule allows flexibility and therefore doesn’t drive carriers to unnecessarily operate empty flights to keep their slots.

Punctuality and Slot Performance

- Airlines try to operate all flights on-time, it is not in their interest to operate with delays – there are costly knock-on impacts to other flights, crew hours, fleet planning, passenger connections and passenger rights.
- Delays are not all controllable, quite the contrary – there are many factors that influence on-time departure or arrival that mean airlines are often not directly accountable for the delay. Due to the nature of delays there is no evidence that linking punctuality to slots will improve punctuality at an airport. Uncontrollable delays will always exist, and therefore the biggest likely outcome will be disruption to established schedules.
- IATA’s view is slot performance monitoring by the independent coordinator is far more effective to change behaviors and see improvements in the operation.
- Independent slot performance monitoring by independent coordinators is fair, non-discriminatory and appropriate to the particular disruption being caused.

Airport Capacity Declaration for Slot Coordination

- The slot process cannot create capacity that is missing in the air and on the ground. There should be more focus on implementing best practice standards for analyzing and declaring available capacity.
- Airport capacity is the foundation of slot coordination: if the declaration is not regularly reviewed considering infrastructure developments, traffic and aircraft mix, resilience of the system and demand, there are inefficiencies in the process. There needs to be constant reflection on performance, balanced with the need for additional capacity and slots.
- IATA promotes meaningful review of slot capacity declarations to ensure all available and deliverable capacity is realized, even without large scale expansion taking place. Airlines serve the demands of the travelling public; the slot time requested is driven by the consumers’ desire to be in a certain place at certain time on a certain day. Airlines review consumer demand on a constant basis, however airports do not appear to have the same consistent approach to reviewing their capacity.
- Unfortunately, there are multiple examples of airports where there is either no capacity declaration, the capacity is declared but there has been no assessment on deliverability, or there is a lack of transparency.