



IATA Guidance for draft CAAT Airport Slot Regulation

Thailand, July 2019

Summary

Airport coordination aims to ensure the most efficient allocation and use of available airport capacity in order to optimize benefits to the greatest number of consumers. Sub-optimal benefits exist where there is no longer a harmonized global process with the same rules at both ends of every route. This paper makes recommendations for how the CAAT draft airport slot regulation might be optimized, based upon industry enhancements agreed by airline, airport and coordinator professionals in the Strategic Review of the Worldwide Slot Guidelines (WSG). The changes are explained below and include suggested edits of relevant draft regulation articles.

Access to congested airports

- Changes to the primary criteria for initial slot allocation.
 - These changes are aimed at ensuring a fair balance between new entrants and non-new entrants by lowering the priority for retiming of existing slots to be on par with new entrant requests. The amendments also include a clarification that 50% of the slot pool should go to new entrants and the remaining 50% should go to non-new entrants. This provides a fair balance between new entrant and non-new entrant requests for both regular allocation and for the allocation of new capacity.
- Changes to the New Entrant definition from less than 5 to less than 7 slots at that airport on that day.
 - The analysis that was carried out by airports, airlines and coordinators based on data from 20 airports worldwide demonstrated that the change from 5 to 7 slots (though other alternatives were also considered and evaluated) would result in a reasonable number of airlines being able to benefit from larger access to the slot pool allocated to new entrants.
- Provisions to providing coordinators with information about airlines' and airports' business priorities and development plans.
 - These provisions in the WSG are aimed at assisting the coordinator in obtaining a holistic view of airline's and airport's business plans, priorities and operational constraints and how the available capacity may be allocated in relation to such plans.

Determination of historic precedence

- Slot Return Deadline redefined as Series Return Deadline (SRD)
 - The redefinition reduces pre-existing ambiguity by clarifying the purpose of the SRD.
 - A trial of a one-month earlier series return deadline for two consecutive seasons has begun. A third season will remain at the earlier date while the results of the trial are assessed. The earlier SRD is envisaged to result in increased in slot reallocations and capacity utilization, as well as provide more certainty to the airport operator of the seasons planned schedule.
 - The results of the trial will be assessed after its completion in summer 2020 and a recommendation will be submitted to the Slot Board of airlines, airports and coordinators to decide the date of the future deadline.

Airport demand and capacity analysis

- Enhancements to the airport demand and capacity analysis process
 - To strengthen best practice by promoting the regular assessment of capacity and demand.
 - To encourage the review of coordination parameters twice a year.
 - To strengthen the consultation process between all relevant stakeholders.
 - To clarify the roles of airports and coordinators.

Slot Performance Monitoring

- Slot performance monitoring is reinforced
 - A new WSG chapter nine is now dedicated to this essential process.
 - Clarity is brought to the roles of airlines, airports and coordinators.
- Introduction of key principles of slot monitoring.
 - The main objective is to provide a clear description of the slot monitoring process, highlighting its goals and the stages of slot monitoring process, requiring accurate and reliable data provided in a timely manner and in the agreed format.
- Introduction of pre-operation and post-operation analysis.
 - The objective of this section is to help coordinators and airlines identify possible slot misuse issues before operation, when they can be corrected – thereby avoiding the need for any further action in the post-operation process.
- Enhanced objectives and principles of the Coordination and Slot Performance Committees
 - To emphasize the importance and role these committees play in the process.

Coordination Committee

Stakeholder communication and consultation is key to ensuring positive perceptions exist for a neutral, transparent and non-discriminatory airport slot coordination process. It is IATA's opinion that the coordination committee advises the coordinator on matters relating to capacity, slot allocation and monitoring the use of slots at the airport. We suggest the tasks noted in the draft regulation are more suited to the CAAT. We have detailed the usual tasks of the coordination committee in the recommended text below.

For clarity we also recommend including the detail of the Coordination Committee membership. We suggest the membership of the Committee should be open to all airlines using the airport regularly, and their representative organizations, the airport managing body, air traffic control authorities and representatives of general/business aviation (where relevant). The coordinator should attend all the meetings of the Committee as an observer.

Slot allocation priorities

In addition to the updated New Entrant definition, the slot allocation priorities were reviewed during the Strategic Review. The recommendations made below reflect the results of the review and balance competition fairly between new entrant carriers and non-new-entrant carriers.

Draft airport slot regulation text review

Following the updates to the WSG we recommend consideration for the following edits:

Original Article No.	Recommended updates to draft Regulation
3	"New entrant" means an airline requesting, as part of a series of slots, a slot at an airport on any day, where, if the airline's request were accepted, it would in total hold fewer than five <u>seven</u> slots at that airport on that day;
3	"Slot Series Return Deadline" means the date by which airlines must return series of slot that they do not intend to operate, being 15 January (summer) and 15 August (winter) as set out in the Calendar;
3	"Slot Pool" means the slots available at a Level 3 airport <u>at initial allocation</u> after <u>unchanged</u> historic slots are allocated and changes to historic slots are allocated , including any newly created slots;
5	Article 5. The principal tasks of the Slot Coordination Committee are to:

- ~~(1) contemplate to constitute policy and regulation on airport slot allocation of Thailand;~~
- ~~(2) contemplate to resolve conflict regarding slot allocation;~~
- ~~(3) coordinate with relevant parties regarding slot allocation for data support or collaboration;~~
- ~~(4) appoint qualified Slot Coordinator of Thailand or other appropriate task forces as necessity~~

- (1) advise on the possibilities of increasing the capacity of the airport;
- (2) advise on ways of achieving a better utilization of the capacity available;
- (3) advise on the coordination parameters on which slot allocation is based;
- (4) advise the coordinator on monitoring the use of allocated slots;
- (5) act as mediator in the event of complaints by airlines on slot allocation;
- (6) consider any serious problems for new entrants at the airport concerned;
- (7) oversee the activities of the slot performance sub-committee, where one exists;
- (8) advise on local guidelines for coordination.

(New) Article 6*. The membership of the Committee should be open to:

- (1) all airlines using the airport regularly and their representative organizations;
- (2) the airport managing body;
- (3) air traffic control authorities;
- (4) representatives of general/business aviation (where relevant);
- (5) The coordinator should attend all the meetings of the Committee as an observer.

Renumbered Article ~~67~~ (no changes). Meetings shall be held at least ~~twice~~once per year, as well as when required ~~in order~~ to review the coordination parameters on a seasonal basis, or to review planned ~~when~~ changes in policy or capacity which could significantly ~~are planned which could significantly~~ affect coordination. Ideally, meetings of the Coordination Committee should be conducted in English.

**Note: subsequent article numbers would need updating to accommodate the inclusion of the inserted new Article 6.*

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- (4) Inform the Facilitator or Slot Coordinator of any capacity changes and of the coordination parameters ~~in good time prior to the initial slot allocation, in accordance with globally recognized timelines, at least 7 days before the Initial Submission Deadline~~

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Article 21. ~~The parameters shall be communicated to the Slot Coordinator for Winter Season within 31 March and for Summer Season within 31 August prior Slot Coordinator bring the parameter agenda into the meeting of Slot Coordination Committee. The confirmation of final coordination parameters and details of available capacity shall be announced prior SC -40 days in accordance with the Calendar.~~ The coordination parameters are reviewed twice each year by relevant stakeholders, normally at meetings of the Coordination Committee or an equivalent representative body. This review must occur in a timely manner to allow the declaration of coordination parameters well in advance of each IATA season but no later than 7 days before the Initial Submission Deadline.

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Article 45. Slot Coordinator shall apply the following process and priorities to requests for series of slots when identifying the schedule adjustments necessary to avoid exceeding the airport's coordination parameters:

- (1) ~~(1)~~ Slots approved with historic precedence ~~that do not impact the coordination parameters;~~
- ~~(1)~~(2) The coordinator will establish a slot pool, including any newly created slots;

- (23) Slots approved for new-entrant requests and non-new-entrant requests for changes to historic slots are treated fairly across the day. 50% of the slots contained in the pool at initial slot allocation must be allocated to new entrant requests, unless new entrant requests are less than 50%. Similarly, 50% of the slots contained in the pool at initial submission must be allocated to non-new-entrant requests, unless such requests are less than 50%. Changes to slots with historic precedence;
- ~~(2) Slot requests where the airline is eligible for new entrant status;~~
- (4) Requests to extend existing operations to operate on a year round basis. Slot Coordinator should allow flexibility on timings to cater for the differing requirements of short and ~~long haul~~ long-haul services;
- (5) Other new slots requests.

(New) Article 46* Where this 50/50 balance is not achievable in a single season (for example, where there is a very limited number of slots available in the pool), the coordinator should correct this imbalance over the next equivalent season (or seasons, if that is not possible) to ensure that the pool is allocated equitably to both new entrants and non-new-entrants.

**Note: subsequent article numbers would need updating to accommodate the inclusion of the inserted new Article 46.*

Article 46. Where ~~additional criteria is required to establish slot allocation priority~~~~priority may not be identified from article 45~~, the following additional criteria should be considered:

- (1) The schedule that will be effective for a longer period of operation in the same season should have priority;
- (2) Type of Service and Market: The balance of the different types of services (scheduled, charter, and cargo) and markets (domestic, regional, and long haul), and the development of the airport route network should be considered.~~The balance of the different types of services (scheduled, charter and cargo) and markets (domestic, regional and long haul), Load Factor and the development of the airport route network should be considered;~~
- (3) Competition: Coordinators should try to ensure that due account is taken of competitive factors in the allocation of available slots.~~Slot Coordinator should try to ensure that due account is taken of competitive factors in the allocation of available slots;~~
- (4) When a curfew at one airport creates a slot problem elsewhere, priority should be given to the airline whose schedule is constrained by the curfew;
- (5) Higher frequency such as more flights per week should not in itself imply higher priority for slot allocation.
- (6) Time Spent on Waitlist: Requests that have been pending on the waitlist should have priority over more recent requests.
- (7) Requirements of the Travelling Public and Other Users: Coordinators should try to ensure that the needs of the travelling public and shippers are met as far as possible.
- (8) Frequency of Operation: Higher frequency such as more flights per week should not in itself imply higher priority for slot allocation.
- (9) Local Guidelines: The coordinator must take local guidelines into account should they exist. Such guidelines

Article 54. Slots may be transfer in the following cases:

- (1) transferred by an airline from one route or type of service to another route or type of service operated by that same air carrier;
- (2) transferred between parent and subsidiary companies, and between subsidiaries of the same parent company;
- (3) transferred as part of the acquisition of control over the capital of an air carrier or in the case of a total or partial take-over when the slots are directly related to the air carrier taken over;
- (4) Swapped, one for one, between air carriers.
- (5) Transferred between two carriers.