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CONFERENCE ON THE ECONOMICS OF AIRPORTS AND AIR NAVIGATION SERVICES

Montréal, 15 to 20 September 2008

Agenda Item 2: Specific issues related to airport economics and management 2.4: Non-discrimination aspects

AIRPORT CONSTRAINTS: SLOT ALLOCATION & NIGHT CURFEW

(Presented by fifty-three African States¹)

SUMMARY

This paper highlights the need to ensure equity and reciprocity in the implementation of market access rights granted to air carriers operating under Air Services Agreement. It recommends the need to provide slots air fair access for air carriers from developing countries operating into airports of developed countries. It urges for States to abide by the decision at the fifth Worldwide Air Transport Conference (ATConf/5, 2003) which provides a broad policy framework and practical guidance.

Action by the Conference is in paragraph 3.

1. **INTRODUCTION**

1.1 The issue of slot allocation at some airports has continued to be a challenge to air carriers desiring to operate in these airports. The problem has continued to be an issue that requires global attention. The last Conference on Economics of Airports and Air Navigation Services held in the year 2000 (ANSConf 2000) realized this challenge and decided that ICAO should undertake further work on developing guidance on procedural aspects of slot allocation as well as continue to "monitor developments in capacity management of airports".

Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cap Verde, Central African Republic, Chad, Comoros, Congo, Cote d'Ivoire, Democratic Republic of the Congo, Djibouti, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libyan Arab Jamahiriya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, Sudan, Swaziland, Togo, Tunisia, Uganda, United Republic of Tanzania, Zambia, Zimbabwe

- 1.2 The 5th Worldwide Air Transport Conference in 2003 (ATConf/5, 2003) also decided that "any slot allocation system should be fair, non-discriminatory and transparent and should take into account the interests of all stakeholders." Whilst it appears that a lot of work has been done by ICAO in developing guidance materials for slot allocations, the situation at some airports is urging ICAO to appeal to States to comply with these guidelines to ensure fairness, transparency and non-discrimination in slot allocation especially for airlines from developing countries.
- 1.3 The issue of night curfews imposed at some airports particularly in Europe, has brought about increased operational problems and financial burden for African airports which are kept open for operations at odd hours, since North bound aircraft are forced to depart Africa usually from midnight in order to arrive Europe after dawn by 6:00 a.m.

2. **DISCUSSION**

- 2.1 The Air Services Agreements (ASA) which form the basis of authorisation of international airline operations, is governed by the principle of reciprocity and equity. These Air Services Agreements exchange market access rights between countries on the same principle of equity and reciprocity to their designated air carriers.
- 2.2 In practice however the principle of reciprocity and equity is not applied to air carriers especially those that are new entrants trying to operate into "congested airports" due to increasing difficulties of securing slots. This situation is being faced by some air carriers operating from developing countries where there are no problems with slots for the competing airlines from developed countries. Slot allocation therefore poses fundamental questions on the implementation of the principle of fair competition amongst airlines. It is a statement of fact that slot allocation is a major challenge to the principle of fair competition between African airlines and airlines from developed countries.
- 2.3 Airlines from countries with "congested airports" often enjoy "grandfather rights" on slot allocation at these airports and also enjoy unrestricted access at the airports of developing countries where securing slots is not a problem. The reverse is the case for the air carriers from developing countries operating into airports of developed countries which are regarded as "congested".
- 2.4 It is worthy of note that countries have obligation to provide slots to meet the capacity needs of air carriers operating under ASA. This is because denying slots to airlines operating under Air Services Agreements is tantamount to non utilization of the Agreements which may be interpreted as a technical way of making the implementation of the Agreement to be unfair and one sided, contrary to the principle of reciprocity.
- 2.5 At ATConf/5, it was noted that the ability of air carriers to exercise market access rights granted under relevant Air Services Agreements is closely linked to the availability of slots at the airports concerned. The Conference therefore concluded that "...sympathetic consideration should be given to the request for preferential treatment from those States whose airports are not constrained but whose air carriers are unsuccessful in obtaining slots at slot-constrained airports..". The reality today is that States with "congested airports" are not abiding with this decision in the allocation of slots, as States have continued to put in place slot allocation systems which give competitive advantages to their carriers.
- 2.6 It is instructive to note that while night curfews are creating problems for operators, airports and communities around airports in Africa, the original reason for imposing the curfew i.e. aircraft noise is no longer a serious issue, since new generation aircrafts are no longer very noisy. On the

other hand, night curfews have been contributing negatively to congestion of airports and increasing delays, and consequently increased aircraft emissions, poor local air quality at airports as well as climate change. It is therefore necessary for ICAO to urge States to review their policies and discontinue night curfews at international airports where there is no more a problem of noise

- 2.7 Removing the night curfews of some international airports of Europe will increase airport capacity and consequently will benefit to all the airlines wishing to operate to those airports or to increase their frequencies, including the African airlines and African airports
- 2.8 Removing the night curfews of some international airports of Europe will significantly reduce the night congestion of a lot of African airports.

3. ACTION BY THE CONFERENCE

- 3.1 The Conference is invited to:
 - a) note that as a result of the slot allocation systems implemented by developed countries, market access rights granted under ASA are not being implemented on reciprocal basis;
 - b) urge ICAO to continue to encourage States to provide slots to meet the capacity needs of air carriers operating under ASA and whose airports are not congested or constrained by slots; and
 - c) urge ICAO to review the continue relevance of night curfews at some international airports.

