

The efficiency of airport slot rules

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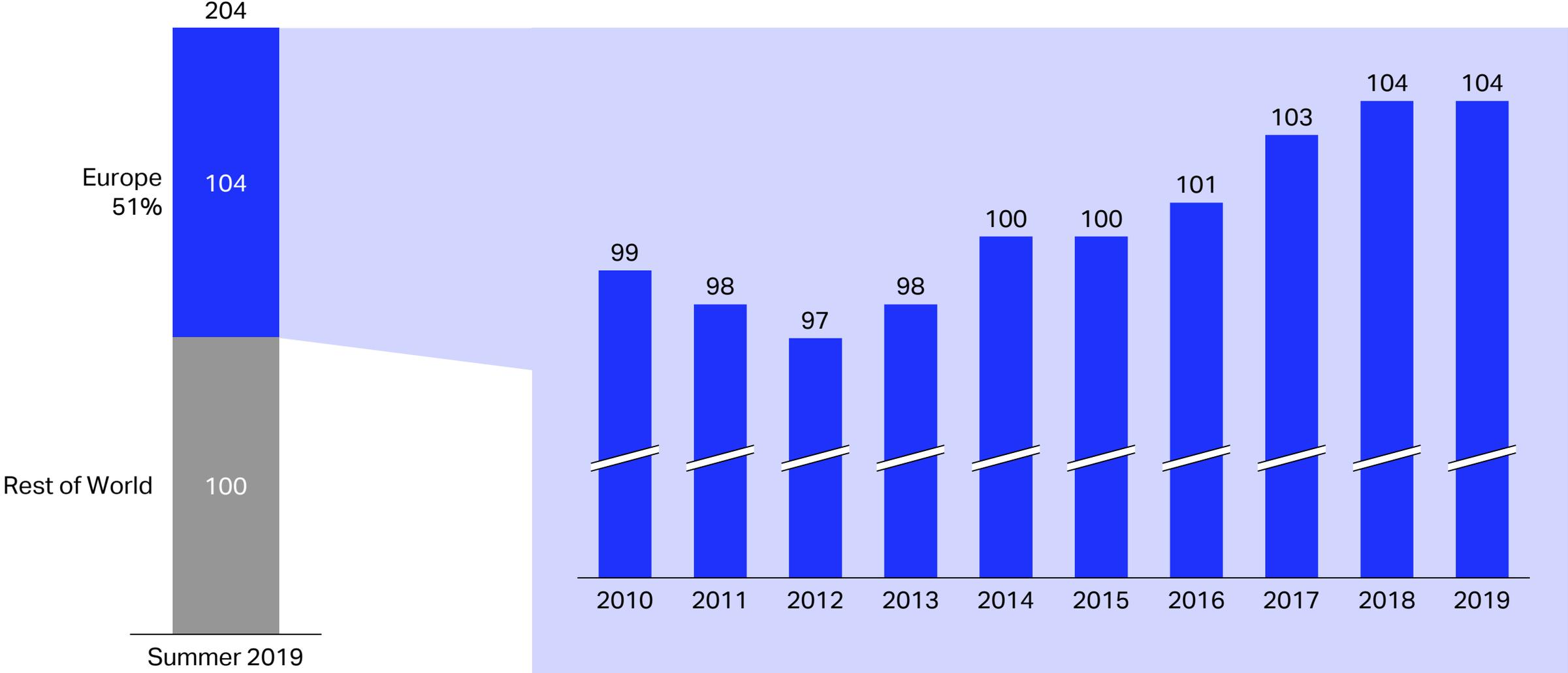
Summary

- Coordinated airports in Europe
- Slot rules **have been effective** and have ensured optimal airport capacity utilisation
 - Connectivity and growth of routes
 - Access to congested airports bringing competition
 - Efficient use of scarce capacity
- Slot rules **will continue to be effective** and ensure optimal airport capacity utilisation
 - Outcome of the Strategic review of the WSG

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Number of slot coordinated (L3) airports in Europe

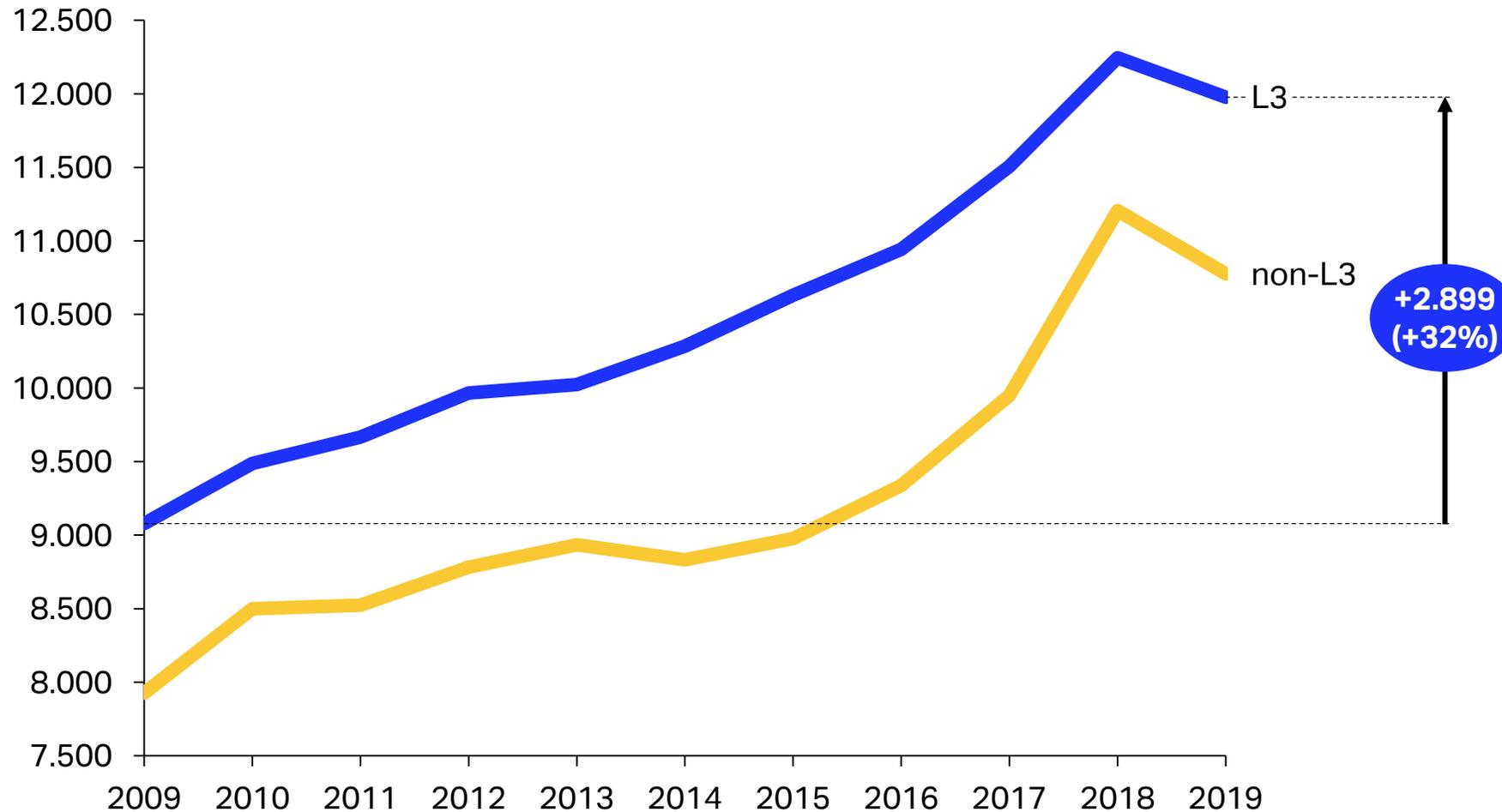


Source: IATA Economics based on SRS Analyzer

Summary

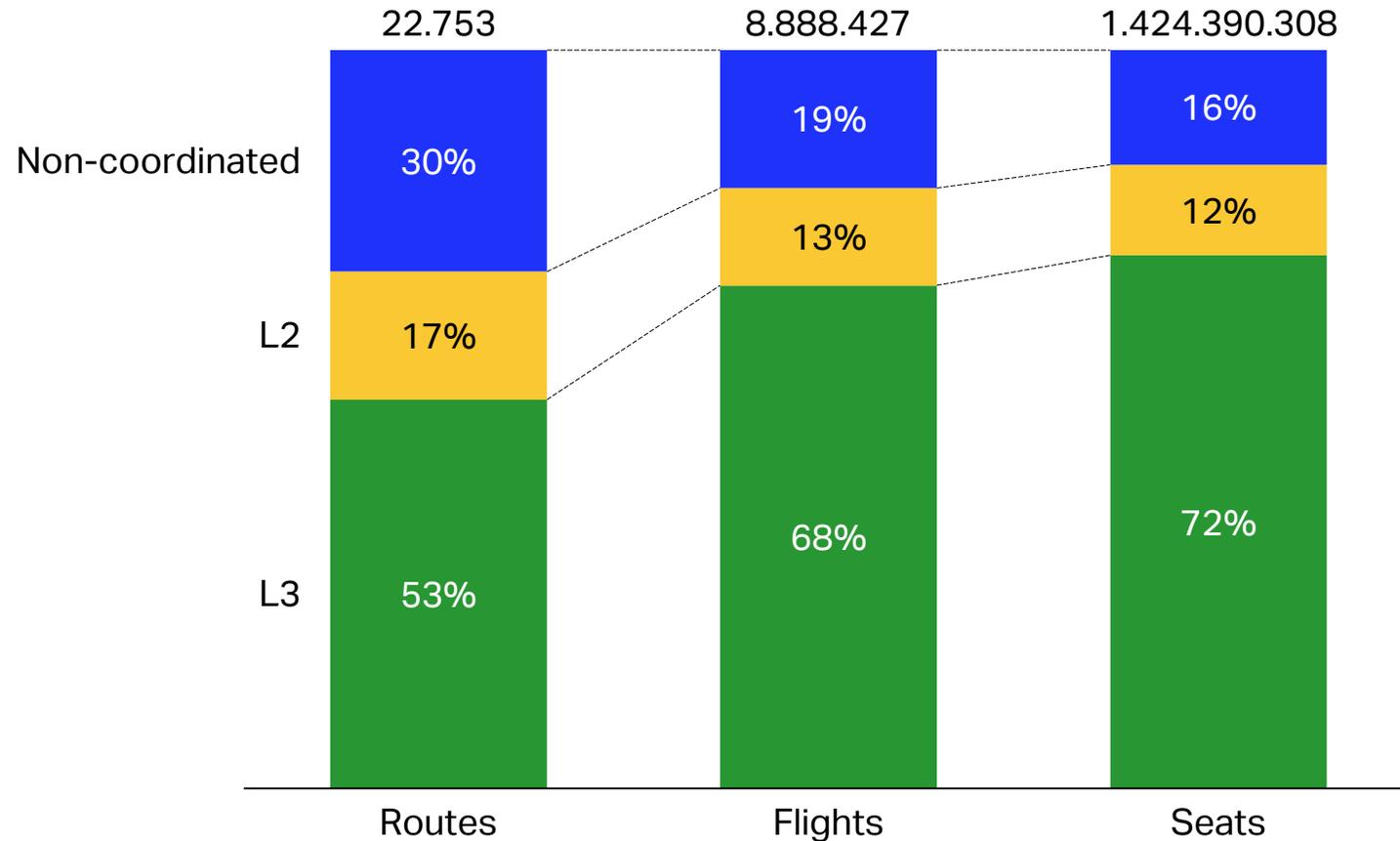
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Growth of routes from European airports, 2009-2019



- European airports have added over 5,000 new routes since 2009
- Despite capacity constraints, slot coordinated (L3 airports) have added a total of 2,899 routes, increasing the number of routes by 32%

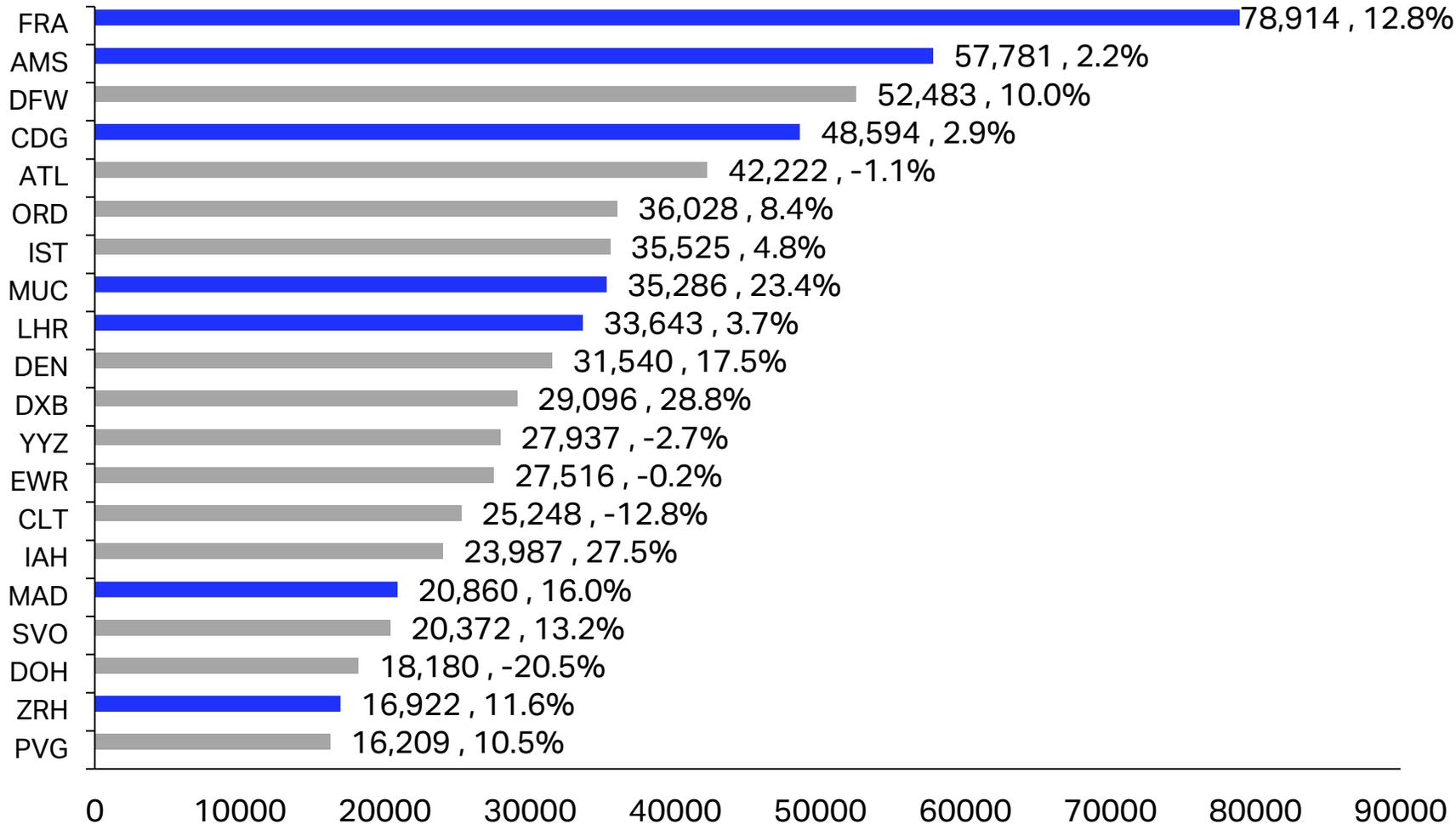
Share of routes, flights and seats from slot coordinated airports in Europe, 2019



- 70% of the routes departing from Europe are from slot coordinated (L3) or slot facilitated (L2) airports
- These routes have higher frequencies and use larger aircraft and therefore represent 81% of all flights and 84% of all seats departing from Europe

Connectivity in European hubs is strong

■ Global hub connectivity (ACI)
% Change 2017-18



- According to ACI's connectivity measure, 7 European airports are among the top 20 most connected airports
- Year-on-year growth of connectivity has been between 2.2% (Amsterdam) and 23.4% (Munich) for them

Summary

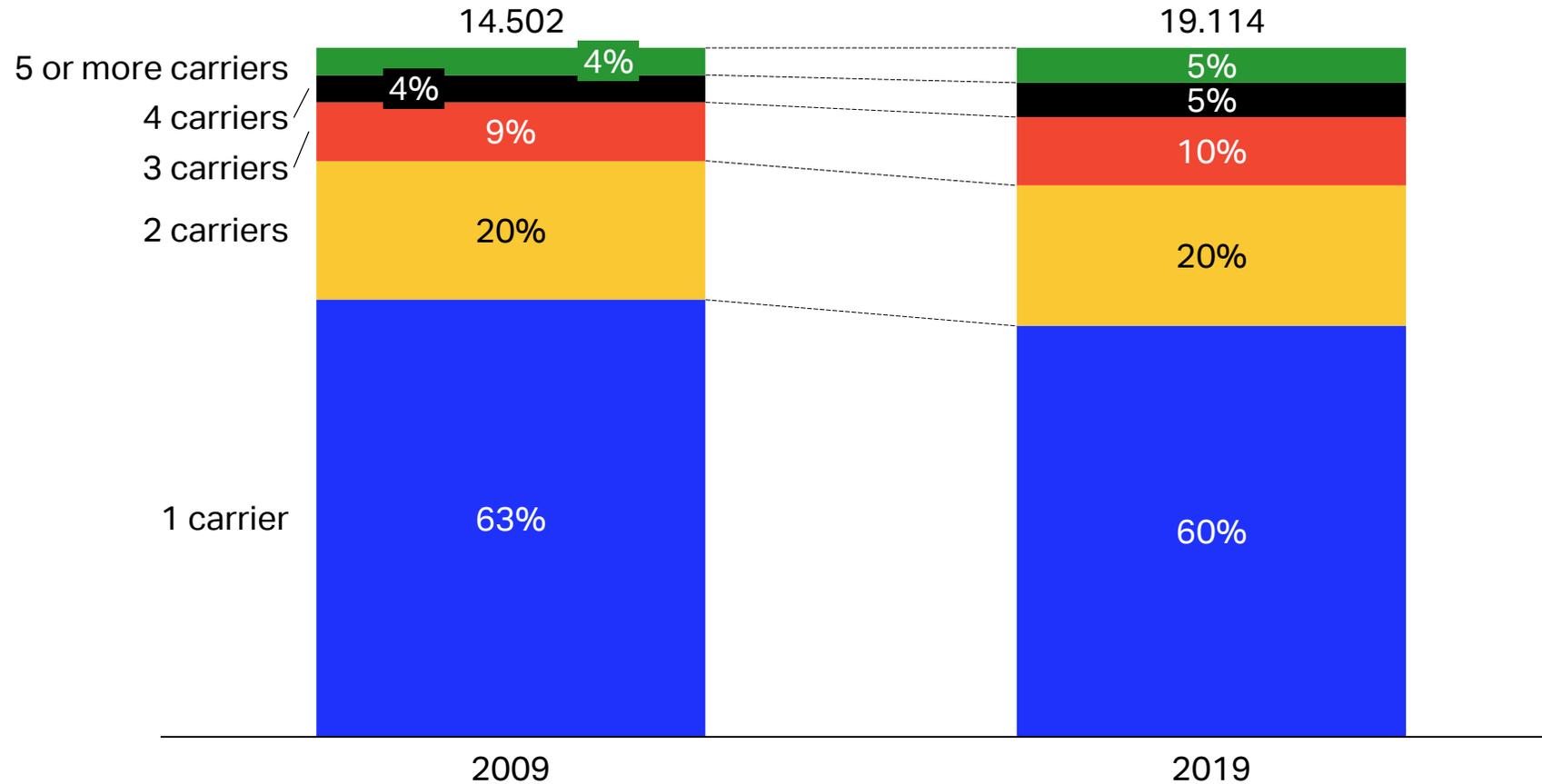
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Growth of European low cost airlines



- Top airports for low cost aviation:
 - Barcelona
 - London Gatwick
 - Dusseldorf
- All congested slot coordinated airports (L3)
- Under EU Slot Regulation
 - Airlines gained access
 - Provided more choice to the consumers
 - Built competitive services

Competition on intra-European routes



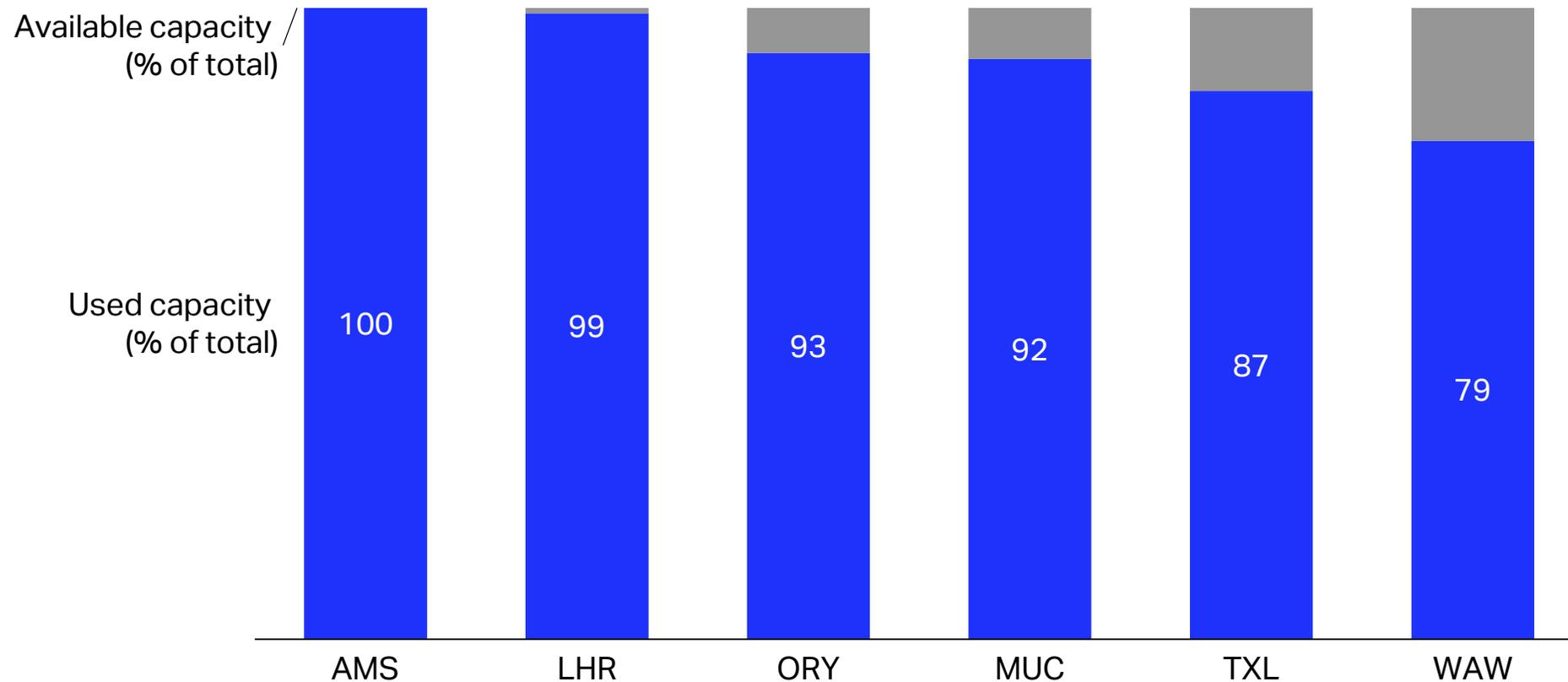
- Share of single-carrier routes has decreased from 63% to 60% in the last decade
- Share of routes with 4 carriers or more has increased from 8% to 10%

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Efficient use of ever scarce capacity in Europe

The 80/20 rule does not lead to wasted capacity



- Utilization of (declared) capacity is well above 80% at L3 airports
- Regular capacity analysis must be undertaken and made transparent for all stakeholders to ensure the actual available capacity is effectively allocated
- The Coordinator can only allocate declared capacity

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WSG Strategic Review – outcomes and next steps

- Trailing an earlier return of unused slots to the slot pool.
- Enhancements to the airport demand and capacity analysis process.
- Provide new entrants a fairer access to congested airports by changing the New Entrant definition from 5 to 7 slots .
- Introducing enhanced slot performance monitoring standards to ensure scarce capacity is used as efficiently as possible.
- The Review will be completed at the end of 2019 with changes published in the newly renamed **Worldwide Airport Slot Guidelines** in early 2020.
- Airports, Airlines, Facilitators and Slot coordinators will continue to review and enhance the slot process under a **new governance structure**.

Conclusion

- **No slot regulation will deliver more capacity. Slot allocation rules only make best use of what is declared to be allocated.** Therefore, effective analysis of capacity and demand is essential, but lacking today. The principles are:
 - Regular review of the demand and capacity situation at each coordinated airport, with all stakeholders involvement.
 - Publish the capacity declaration in a timely and transparent manner, so any airline can use it for planning – to support access and increased competition, as well as better ability to meet the needs of the travelling public.
- **The current EU rules are in line with the WSG and do not need to be revised** but only enhanced and reinforced

Thank you for your attention!

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