



WORLDWIDE AIR TRANSPORT CONFERENCE (ATCONF)

SIXTH MEETING

Montréal, 18 to 22 March 2013

Agenda Item 2: Examination of key issues and related regulatory framework

Agenda Item 2.1 : Market access

SLOT COORDINATION FRAMEWORK IN SOUTH AFRICA

(Presented by South Africa)

1. INTRODUCTION

1.1 The Air Traffic and Navigational Services Company (ATNS) is currently conducting the slot coordination function in South Africa within the confines of a limited legislative framework; in good faith and with the co-operation of all stakeholders. However, as capacity becomes more constrained at South Africa's fully-coordinated airports, the need to ensure efficiency through compliance with a formal slot coordination framework has become critical to ensure optimal utilisation of scarce resources and the orderly as well as safe aircraft operations at fully-coordinated airports.

1.2 In addressing the limited legislative framework, as well as the outlook for slot coordination in the medium term, the *Slot Coordination Working Group* under the leadership of the Department of Transport (DOT), was established. This Working Group consisted of representatives from the Department of Transport, Air Traffic and Navigation Services Company (ATNS), Airports Company of South Africa (ACSA), South African Civil Aviation Authority (SACAA), Airlines Association of Southern Africa (AASA), Board of Airline Representative of South Africa (BARSA), Lanseria Airport, Kruger Mpumalanga International Airport, Grand Central Airport, the Commercial Aviation Association of Southern Africa (CAASA) and the Aircraft Operators and Pilots Association (AOPA).

1.3 The Working Group held its first meeting on 27 January 2011 with the main objective to:

- a) develop a suitable framework in respect of the slot coordination function in South Africa based on the IATA Worldwide Slot Guidelines; and
- b) create a formal regulatory framework in respect of slot coordination.

1.4 Meetings were held with industry from inception of the Project which included scoping the Project, consideration of research focussing on both developed and developing countries to determine best practise and the options best suited to the South African environment. The Working Group defined the core principles underpinning the regulations and the level of detail to be included in the regulations to

support the Coordinator and the Slot Coordination Committee of South Africa (SCCSA). In this process, the Working Group duly considered the applicable ICAO Guidance Material which inter alia recommends that “Any slot allocation system should be fair, non-discriminatory and transparent, and should take into account the interests of all stakeholders while it should also be globally compatible, aimed at maximizing effective use of airport capacity, simple, practicable and economically sustainable”.

2. SLOT COORDINATION FRAMEWORK

2.1 South Africa currently has three fully coordinated airports, namely O. R. Tambo International Airport (ORTIA), Cape Town International Airport (CTIA) and King Shaka International Airport (KSIA). The current joint capacity declaration for each airport is as follows:

Airport	Current Joint Capacity Declaration (aircraft movements per hour)
ORTIA	60
CTIA	30
KSIA	24

2.2 Key matters addressed in the draft Regulations

2.2.1 **Main functions of the Slot Coordinator** — The functions of the Slot Coordinator are prescribed and include the following:

- a) the allocation of slots to all aircraft operators at fully coordinated airports;
- b) monitoring and enforcing the use of slots at coordinated airports;
- c) facilitating the scheduling of slots at schedules facilitated airports; and
- d) ensuring that the capacities of coordinated airports are not exceeded.

2.2.2 The abovementioned functions must be performed in an independent, neutral, efficient, non-discriminatory and transparent manner.

2.2.3 **Historic slots** — The right to historic slots is based on a calculation done by the Coordinator dependant on the operation of a series of slots operated by an aircraft operator. To maintain historical preference; an aircraft operator should operate the series of slots at least 80% of the time. The requirement is that the same series of slots must be operated as per the previous equivalent scheduling period. In fact, to maintain historical precedence, the current practise requires that every detail of that flight must remain the same. While cognisant of the differing nature of scheduled and non-scheduled aircraft operations, at request of some “programmed non-scheduled operators”; this benefit has been extended to them. These aircraft operators will however, like the scheduled airlines, be required to maintain the usage of a series of slots at 80% of the time. Usage of any series issued will be monitored in terms of the 80/20 Rule. Failure to maintain at least 80% usage will result in a loss of priority for allocation and these slots will be returned to the slot pool.

2.2.4 The Slot Coordination Committee of South Africa (SCCSA) — The Slot Coordination Committee of South Africa (SCCSA) acts in an advisory capacity to the Minister of Transport, the Director-General: Transport and the Slot Coordinator. The SCCSA consists of one member and one alternate-member representing the following organizations: DOT (Chairperson and provision of

secretariat services); ACSA, SACAA, ATNS as the air navigation service provider (ANSP), AASA, BARSA, CAASA, AOPA and coordinated non-ACSA airports in their own capacity (once designated).

2.2.5 The SCCSA is expected to amongst others, advise the Director-General Transport on the coordination parameters; to make proposals to the coordinator, the Director-General or the Minister on a variety of issues including consideration around issues arising from slot allocation; the designation of airports and special rules in terms of temporary designation of coordinated airports.

2.2.6 The SCCSA may also create sub-groups to consider various issues that require special attention, as required. This includes the creation of the Slot Performance Sub-Committee to monitor slot usage more closely. It should be noted that these sub-committees will be representative bodies serving on the SCCSA.

2.2.7 **Joint Capacity Declaration** — The Working Group agreed that the relevant airport authority and the relevant air traffic service provider determine the available airport and air space capacities respectively. The lowest denominator of the two would then determine the runway throughput i.e., the joint capacity declaration. It was agreed that these figures, as well as SACAA's input from an aviation safety perspective, would be brought to the SCCSA. These findings will then be communicated to the Director-General of Transport for approval.

2.2.8 **Misuse and Penalties** — The misuse of slots not only impacts on the efficiencies of the coordinated airport(s) and the ANSP; but also impacts on other aircraft operators who could either not get access to slots requested or who have had to build delays into their operations to cope with impacts to their schedule. To ensure that maximum efficiencies are derived from this system, misuse of slots will be monitored (as is currently done), however, these regulations will formalise current practice. The existing tools used are the *80/20 Rule* which supports the allocation of historic slots and the *30-day Rule* to prevent hoarding of slots. In this scenario, should an aircraft operator not operate a slot for 30 days, the slot is withdrawn and reverts to the slot pool. An additional mechanism will also be in effect to monitor the likelihood of an aircraft operator not achieving the required 80% utilisation within a season. The outcome of this is informed by the 30-day Rule which aircraft operators will have to monitor closely. Failure to reach at least 80% utilisation will cause the slot to be withdrawn prior to the end of the season.

2.2.9 It must be noted that the draft Regulations promote self-regulation by aircraft operators. For instance, should an aircraft operator adequately communicate with the coordinator as soon as it believes it will fall foul of any of these rules with the necessary motivation for such non-compliance; alternative arrangements could be put in place to ensure that the operator is not penalised. In addition, before enforcing any of the penalties mentioned above; the Coordinator must communicate with the aircraft operator prior to the withdrawal of the slots. If, however, all avenues of communication fail and the abuse takes place repeatedly; then penalties are likely to be enforced to ensure that other stakeholders are not impacted negatively in future.

2.2.10 **Temporary Designation** — The draft Regulations provide that the Director-General may temporarily designate an airport to be used in support of special events which have been planned as well as those which have to be planned on short notice. Requests for temporary designation will be considered in conjunction with the SCCSA and the Airport Operator concerned prior to the actual temporary designation. The Director-General may also, along with the temporary designation, determine specific rules for the effective coordination of such airport.

2.2.11 **Alignment with ICAO Model Bilateral Clause on Slot Allocation** — The draft Regulations prescribe the order of priority in which the Coordinator must allocate slots. In particular, provision has been made to address the allocation of slots in cases where another state failed to allocate

slots in that state in accordance with the principle of fair and equal opportunity and reciprocity in terms of the relevant Bilateral Air Services Agreement. To this end, the draft Regulations support the bilateral air services framework and in particular, Option 2 of the ICAO Model Clause, as endorsed by the African Union Summit of Heads of State and Government held in Addis Ababa, Ethiopia, in January 2012.

3. **REQUIRED END STATE**

3.1 The draft Regulations are geared to support the Slot Coordinator to ensure maximisation of system efficiency for the benefit of all stakeholders. This drive for efficiency must be considered within the South African reality of an evolving industry where the scheduled and non-scheduled aviation markets are increasingly constrained due to economic and other pressures. The dynamic nature of this market must also be catered for in that some sectors of non-scheduled aircraft operators, the so-called “programmed charter”, operates a hybrid of the two models (scheduled vs non-scheduled operations) and this requirement has necessitated some synthesizing of the existing model. South Africa has also in the past hosted various special events and a mechanism and planned framework to manage such events from a slots-perspective will streamline the use of the capacity available at the relevant airports.

4. **CONCLUSION**

4.1 The Conference is invited to take note of the slot coordination framework in South Africa.

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