EXECUTIVE SUMMARY
This working paper deals with the negative impact of the policies governing the allocation of slots and its inconsistency with the global trend towards liberalization of international air transport, in general, and on the participation of developing countries, in particular.

Action: The Conference is invited to agree to the recommendations presented in paragraph 4.

References: ATConf/6 reference material is available at www.icao.int/meetings/atconf6.
notably granting air carriers in developing countries preferential measures to enable them to participate in
this process.

2.2 The Fifth Worldwide Air Transport Conference (ATConf/5), held in March 2003, reiterated the recommendations of ATConf/4. The liberalization trend turned into a global policy and studies conducted by IATA confirmed the economic benefits derived by all States that adopted such a policy.

2.3 Many developing countries have, thus, devoted hundreds of billions of dollars to air
transport infrastructure (airports, airlines, air navigation services, training, etc.) in order to keep pace with
the traffic growth associated with the concept of “open skies”. These countries have concluded many air
transport agreements based on the principles of “open skies” which imply that no constraints are imposed
in terms of the volume of traffic, types of aircraft and frequency of flights.

2.4 However, the issue of slot allocation has impeded the implementation of those
agreements and rendered them ineffective, especially concerning flights serving major markets, such as
the European market. Outbound traffic from Europe to developing countries, on the other hand, did not
suffer from any constraints.

2.5 Studies undertaken by European organizations and federations show that the issue of
airport capacity in European countries will be exacerbated by 2020 due to the increased demand in over
20 major airports. This would negatively impact the participation of airlines from developing countries in
utilizing these airports, considering the increased inbound traffic in these countries.

2.6 States have been demanding in Conferences and seminars that ICAO play an active role
in the elaboration of a regulatory framework for slot allocation, which ensures the participation of
developing countries in the air transport industry without additional burdens or costs on an already
overstretched sector.

3. CONCLUSION

3.1 The International Community is looking forward to limit the issues related to slot
allocation and trading through the increase in airport capacity and granting priority treatment to carriers
from developing countries. The purpose is to avoid that slot allocation be used as a tool to shut down the
airspace and put an end to “open skies” policies.

4. RECOMMENDATIONS

4.1 The Conference is invited to:

a) adopt policy recommendations that ensure that carriers from developing countries are
granted preferential treatment in the allocation of slots; and

b) request ICAO to take into consideration a) above in its guidance material.

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