



WORKING PAPER

**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**

ACCESS TO AIRPORT INFRASTRUCTURE

(Presented by the Secretariat)

SUMMARY

This paper discusses two issues related to access to airport infrastructure, i.e. slot allocation and international general and business aviation's access to airports. With respect to slot allocation, the paper recalls that the results of a Secretariat's study and the fifth Worldwide Air Transport Conference (ATConf/5, 2003) have already provided a broad policy framework and practical guidance for States. Regarding general and business aviation's access to airports, another Secretariat's study has made recommendations to safeguard the interests of this category of users and secure their access to airports. To give effect to the recommendations of the latter study at the global level, the paper proposes an amendment to *ICAO's Policies on Charges for Airports and Air Navigation Services* (Doc 9082).

Action by the Conference is in paragraph 5.

1. INTRODUCTION

1.1 The Conference on the Economics of Airports and Air Navigation Services (ANSCConf 2000) recommended that ICAO "undertake further work on developing guidance on procedural aspects of slot allocation", as well as "continue to monitor developments in capacity management of airports, capacity management of airspace and their inter-relationship". It was also recommended that ICAO "undertake a study on the measures that can be taken to ensure that general and business aviation can establish, maintain and preferably expand their access to airports, as appropriate".

1.2 This paper provides first a brief summary of ICAO's work on slot allocation since ANSCConf 2000 (please note that any technical discussion on slot allocation mechanisms is beyond the scope of the Conference). Then, it focuses on international general and business aviation in terms of access to airports, and reviews the current relevant text of *ICAO's Policies on Charges for Airports and Air Navigation Services* (Doc 9082).

2. DISCUSSION

2.1 Slot allocation

2.1.1 The Secretariat published, in 2001, a study entitled *Regulatory Implications of the Allocation of Flight Departure and Arrival Slots at International Airports* (Circular 283). The study analyzed the existing situation; trends for airports where the demand by airlines to use the airport exceeds its capacity; the regulatory framework involved; and the means by which governments, airports and airlines have sought to alleviate or minimize this situation. It also assessed existing and potential mechanisms for dealing with a chronic shortage of airport capacity and suggested possible improvements of, and alternatives to, the existing systems.

2.1.2 The major conclusion of the study was that in fashioning responses to airport capacity constraints and related problems, States will have to take into account the legal framework provided by the *Convention on International Civil Aviation* (Chicago Convention, Doc 7300), air services agreements, regional and national slot allocation rules, and existing voluntary mechanisms for managing insufficient airport capacity. Such responses will have to be adjusted to the situation of the individual airport(s) concerned and will therefore vary depending on the nature of the constraint and the means taken to overcome it.

2.1.3 The fifth Worldwide Air Transport Conference (ATConf/5, 2003) discussed the problem of market access at capacity constrained airports and associated issues of slot allocation. Since the ability of air carriers to exercise the market access rights granted under relevant air services agreements is closely linked to the availability of slots at the airports concerned, the Conference concluded that "... sympathetic consideration should be given to the request for preferential treatment from those States whose airports are not slot-constrained but whose air carriers are unsuccessful in obtaining slots at slot-constrained airports, consistent with relevant national legislation and international obligations." It was also concluded that "any slot allocation system should be fair, non-discriminatory and transparent, and should take into account the interests of all stakeholders. It should also be globally compatible, aimed at maximizing effective use of airport capacity, simple, practicable and economically sustainable".

2.1.4 Circular 283 and the results of ATConf/5 provide a broad policy framework and practical guidance, which States may use at their discretion and in a flexible manner.

2.2 General and business aviation access to airports

2.2.1 Capacity constraints at many airports, noise restrictions (including night curfews, which reduce the operational hours at airports), peak-hour charges, and commercialization and privatization of airports are all contributing barriers to maintaining, let alone expanding international general and business aviation access to many airports serving major cities. The forecasted increase in traffic, which is often not met with a corresponding increase in airport capacity, is likely to force airports to put more restrictions on international general and business aviation. Since they are not "regular" users as air carriers, airports may be compelled to curtail their operations to make room for the increasing demand from the air carriers, their main customers, to whom most infrastructure investments are directed.

2.2.2 Such problems were identified in the Secretariat study entitled *Study on International General and Business Aviation Access to Airports* (2005). In order to safeguard the interests of this category of users and secure their access to airports, the study made recommendations at the global, State, and airport levels.

2.2.3 At the global level, it was proposed to expand and strengthen the text in paragraph 23 ix) for airports, as well as the corresponding paragraph 41 viii) for air navigation services, of Doc 9082 in order to give more emphasis to the importance of this category of users, and also to underline the necessity that any cost allocation method applied to this sector of aviation is in line with ICAO's policies on charges. It was also recommended that ICAO advise States about the importance of involving international general aviation, including business aviation, and/or their representative organizations in the consultation and planning processes referred to in Doc 9082 (see WP/6).

2.2.4 At the State level, the study recommended that States, in recognition of the distinct nature of international general and business aviation, and their contribution to the national economy, should endeavour to facilitate access to their major international airports for this category of users and, in case of heavy congestion, to nearby airports.

2.2.5 At the airport level, it was recommended that airports should consider the optimum use or development of dedicated or reliever runways, where feasible, to meet the needs of international general and business aviation. Similarly, the use of dedicated airport areas should be encouraged, where feasible, for the handling of this particular type of traffic. Moreover, airport entities operating several airports in metropolitan areas should encourage the use of reliever airports by this category of users. The relevant authorities concerned could also consider joint use of military airports.

3. CONCLUSIONS

3.1 From the foregoing discussion, the following conclusions may be drawn:

- a) States should consider applying the results of ICAO's studies and guidance on slot allocation, as well as international general and business aviation access to airports, at their discretion and in a flexible manner.
- b) ICAO should amend paragraphs 23 and 41 of Doc 9082 to give more emphasis to the importance of international general aviation, including business aviation, as well as to underline the necessity that any cost allocation method applied to this category of users is in line with ICAO's policies on charges.

4. PROPOSED AMENDMENTS OF POLICIES

4.1 In accordance with conclusion b) of paragraph 3.1, it is proposed to amend sub-paragraphs 23 ix) and 41 viii) of Doc 9082 as follows:

Airport charging systems

23. *The Council recommends that charging systems*

- ix) *Airport charges levied on international general aviation, including business aviation, should be assessed in a reasonable manner, having regard to the cost of the facilities needed and used, properly allocated to them, and the goal of promoting the sound development of international civil aviation as a whole.*

Air navigation services charging systems

41. *The Council recommends that charging systems*

xiii) The charges levied on international general aviation, including business aviation, should be assessed in a reasonable manner, having regard to the cost of the facilities needed and used, properly allocated to them, and the goal of the sound development of international civil aviation as a whole.

5. ACTION BY THE CONFERENCE

5.1 The Conference is invited to:

- a) review and adopt the conclusions in paragraph 3.1; and
- b) review and endorse the proposed amendments of Doc 9082 in paragraph 4.1.

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