



## ASSEMBLY — 42ND SESSION

### ECONOMIC COMMISSION

#### Agenda Item 26: Economic Development of Air Transport

#### TOWARD A MODERN AIRPORT SLOT POLICY FRAMEWORK FOR SOCIAL AND ECONOMIC GROWTH

(Presented by Airports Council International (ACI))

##### EXECUTIVE SUMMARY

This paper calls on the International Civil Aviation Organization's (ICAO) Member States to support and help shape the modernization of slot policy to better align the incentives across the aviation ecosystem to promote efficient use of capacity, equitable access to constrained airport infrastructure and long-term connectivity. While the Worldwide Airport Slot Guidelines (WASG) have provided a consistent technical basis for slot allocation and supported coordinated growth, the system remains rooted in principles established during a pre-liberalization era and is increasingly misaligned with today's competitive landscape and public policy objectives.

The paper proposes high-level principles to guide the evolution of both global slot guidance and national slot regulations. It highlights the need for flexibility, transparency and meaningful State and airport involvement to ensure that slot allocation supports sustainable growth, reflects the interests of local communities and is aligned with broader aviation and economic policy objectives.

**Action:** The Assembly is invited to:

- recognize that airport slot policy is a strategic choice that shapes the aviation landscape, and that frameworks should evolve to reflect the needs and priorities of today's aviation system;
- encourage States to participate in the modernization of global airport slot best practices, including through engagement with the Worldwide Airport Slot Board (WASB) and dialogue at the local level to update national and regional slot regulations to support efficient use of infrastructure, competitive access and long-term connectivity in the public interest; and
- invite States to ensure that airport slot policy development and decision-making reflects local infrastructure realities and broader aviation and economic objectives by providing a clearly defined and meaningful role for airport operators in relevant regulatory and governance processes, while preserving the independence of the slot coordination function.

<i>Strategic Goals:</i>	This working paper relates to the Strategic Goal: <i>The Economic Development of Air Transport Assures the Delivery of Economic Prosperity and Societal Well-Being for All</i>
<i>Financial implications:</i>	No
<i>References:</i>	ACI Guidance on Airport Capacity Declarations

<sup>1</sup> English, Arabic, Chinese, French, Russian and Spanish versions provided by ACI.

## 1. INTRODUCTION

1.1 The global recovery of air traffic has renewed pressure on capacity-constrained airports. While schedule facilitation and slot allocation are operational processes, slot policy is a core strategic choice that shapes the aviation landscape and its contribution to national economic growth, connectivity objectives and the broader public interest.

1.2 The basic principles of the slot system were introduced in the 1970s as a measure for airlines to informally coordinate their schedules to maximize connections. Over time, this evolved into a highly structured framework enshrined in the Worldwide Airport Slot Guidelines (WASG), that shapes competitive dynamics and distributes the value derived from scarce airport infrastructure among incumbent carriers.

1.3 The creation of the Worldwide Airport Slot Board (WASB) in 2020, as noted in A40-WP/275-EC/22 Revision No. 1, marked an important step toward a shared governance of the WASG by giving airport operators a formal seat at the table. The WASB offers a forum for technical coordination among industry stakeholders. However, as slot policy inherently impacts local, national and regional economies, it is increasingly difficult to treat it solely as a technical industry matter. States and regulators have a legitimate role in ensuring that the strategic direction of slot policy reflects broader policy goals and should work with the industry to define a transparent, balanced and forward-looking direction that reflects the perspectives of all relevant stakeholders.

## 2. BACKGROUND AND CONTEXT

2.1 At the time when the foundational principles of airport slot allocation were defined, most airports were publicly owned and operated, and the airline market was dominated by State-owned flag carriers. These voluntary practices were gradually formalized into the WASG, which serve as the primary technical global reference for slot allocation. Although developed as industry best practices, the WASG principles have been adopted by many national regulators, giving it wide influence over access to constrained airport capacity.

2.2 While the system helped facilitate coordinated growth, its design predates the liberalization of air transport and has not kept pace with the structural shifts that followed. These include airline deregulation, consolidation, the expansion of multi-carrier groups and joint ventures, the rise of low-cost carriers and airport privatization. Airports, now operating as businesses in their own right, manage complex infrastructure while serving their communities. These changes raise the question of whether the foundational principles of slot allocation continue to serve the public interest.

2.3 The WASG is often presented as neutral and efficient, but neutrality in administration does not guarantee neutrality in outcome. Once allocated, slots create significant commercial value for the holder. This value, derived from infrastructure typically financed and maintained by airports or public authorities, is captured by airlines through the ability to retain or use slots in ways that confer commercial advantage. Proposals to revise allocation rules are often met with concerns about system stability. Yet as slots are not tied to specific destinations or aircraft types, practices such as slot repurposing, slot mobility and secondary trading allow significant changes in how slots are used. Embracing flexibility in slot utilization while prioritizing stability when changes could impact market dynamics limits the system's responsiveness to evolving policy needs.

2.4 Slots are typically allocated through administrative processes without direct financial exchange, but the way they are retained can generate significant structural costs for the aviation system. At

congested airports, barriers to entry can create dominant positions where control over scarce capacity is effectively exercised by incumbent airlines. The current slot framework, in effect, preserves pre-liberalization privileges, without the public interest obligations or regulatory oversight that characterized these regimes. Incumbency can support operational stability and long-term investment, but continued access must be based on ongoing contributions to competition, connectivity and system efficiency.

2.5 Aligning slot policy with long-term investment frameworks is essential to ensure that airport capacity is developed in line with actual demand and used efficiently, not only to support the operational and economic performance of airports but also to deliver broader regional growth and value for passengers and local communities.

### 3. AIRPORT INVOLVEMENT

3.1 The airport community has a sustained commitment to modernizing the airport slot policy framework. Over the past decade, airports have played an increasingly active role in global slot policy discussions, beginning with the creation of the Airports Council International (ACI) World Expert Group on Slots in 2015, followed by their participation in the Strategic Review of the Worldwide Slot Guidelines and their ongoing engagement in the WASB. While technical refinements were achieved, engagement on structural issues has struggled to gain traction, hindering a deeper evolution of the system.

3.2 ACI World has also published the ACI Guidance on Airport Capacity Declarations<sup>2</sup>, a widely used technical reference that supports transparent, locally grounded and operationally realistic capacity declarations. Airports are naturally incentivized to meet market demand by improving efficiency and accommodating growth, whether to support future investment, respond to community needs or fulfill public or commercial objectives. However, translating declared capacity into day-to-day operational availability depends on the coordinated performance of multiple actors, including air traffic management, regulators, ground handlers, security and border agencies and airline operations. These interdependencies highlight that while airports play a central role in assessing and declaring capacity, its delivery relies on the coordinated performance of the entire aviation ecosystem.

### 4. DISCUSSION

4.1 The following section outlines key areas of focus to ensure that slot policy remains fit for purpose in a rapidly evolving operational and policy environment.

#### 4.1.1 Reassessing Principles and Outcomes

4.1.1.1 The core principles of the WASG—certainty, flexibility, sustainability, and transparency—were shaped through an incumbent airline lens and tend to reinforce legacy outcomes. Certainty is provided through historic precedence, enabling incumbent airlines to retain the same slots season after season if usage thresholds are met. Flexibility means that slots are not tied to specific destinations or aircraft type. Sustainability is interpreted as the continuation of a system that allocates slots without direct cost, despite airport capacity being scarce and capital-intensive. Transparency emphasizes procedural clarity but offers limited insight into slot use outcomes.

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<sup>2</sup> ACI World. *Guidance on Airport Capacity Declarations*, First Edition. ACI Publications, 2023. Available at : <https://store.aci.aero/product/guidance-on-airport-capacity-declarations-first-edition/>

4.1.1.2 A modernized framework may require both a reassessment of the guiding principles and a shift in how they are interpreted. While these principles have supported coordination and predictability, a forward-looking perspective is needed to enable the efficient and equitable evolution of slot access over time: certainty for incumbents is justifiable when it also supports the best use of available capacity; flexibility should enable system responsiveness to demand and connectivity goals; sustainability should consider the long-term viability of airport infrastructure and system resilience; and transparency should include visibility into slot use outcomes and whether they support efficient use of constrained airport infrastructure, consumer needs and connectivity objectives.

4.1.1.3 While airlines optimize slot portfolios for their own network, and in some cases coordinate them across multiple carriers, slot utilization alone does not indicate whether capacity is used in ways that support competition, connectivity or system efficiency. Outcomes at high-demand airports around the world show that legacy slot allocation processes can result in sub-optimal utilization of peak-hour capacity and limited competitive opportunities.

#### **4.2 Strengthening Policy Dialogue Between States and the Industry**

4.2.1 The WASB provides a valuable forum for technical coordination. However, as consensus among industry partners is required to evolve the WASG, voluntary rebalancing is unlikely to achieve broader strategic policy goals. It also risks overlooking the legitimate interests of airports in the allocation outcome, particularly when those benefiting commercially from existing arrangements face no structural pressure to support change. States and regulators are uniquely positioned to ensure that slot policy serves public interest goals, including through oversight that balances the interests of all relevant stakeholders.

4.2.2 Engagement is needed at two complementary levels. At the global level, States can contribute to the evolution of the WASG through continued interaction with the WASB. The Board agreed to begin its next term in November 2025 with discussions on the long-term visions of each stakeholder group, with the aim of reaching greater alignment across the industry. ACI builds on that direction by encouraging States' participation in those conversations, as meaningful reform will depend on their active engagement. It will also require ensuring that the discussion includes stakeholders with a strategic policy function, alongside those responsible for technical management.

4.2.3 At the national or regional level, dialogue among regulators, airports, slot coordinators and airlines remains essential to ensure that slot regulations reflect local capacity conditions, growth priorities and the needs of the communities served by airports.

#### **4.3 Ensuring Meaningful Airport Involvement**

4.3.1 While the way airlines use slots contributes to their commercial utility, the value of a slot ultimately stems from access to a constrained and publicly regulated resource. Given their proximity to infrastructure capacity, operational conditions and local needs, airport operators offer a distinct perspective on how slot allocation can best serve connectivity, competition and long-term system efficiency. Ensuring that airport operators are more meaningfully involved in the slot process can help align allocation outcomes with infrastructure realities and support long-term planning in the public interest.

### **5. CONCLUSION**

5.1 The current slot framework has helped manage congestion but has not evolved in line with changes in the aviation ecosystem, market dynamics and policy expectations. As pressure on airport capacity intensifies, slot allocation must better support the public interest, economic development, and

promote efficient and equitable use of constrained infrastructure.

5.2 Modern slot policy should establish the right incentives to support sustainable growth, improve access and reflect a broader set of strategic objectives, including national connectivity, competition and infrastructure optimization. Airports, with their close ties to local communities and long-term responsibility for managing fixed infrastructure, must be more meaningfully involved to ensure that allocation outcomes are grounded in infrastructure capacity, aligned with local priorities, and contribute to system-wide performance.

5.3 By modernizing slot policy, States and regulators can help ensure that access to constrained airport capacity is managed in the public interest. ACI urges the aviation industry to collaborate with States to advance the long-term modernization of airport slot allocation and encourages progress in this area to be reviewed at the next International Civil Aviation Organization (ICAO) Assembly.

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