












# Procedure file

Basic information	
<p>COD - Ordinary legislative procedure (ex-codecision procedure) Regulation</p> <p>2011/0391(COD)</p>	Awaiting Council's 1st reading position
<p>Allocation of slots at EU airports</p> <p>Repealing Regulation (EC) No 793/2004 <a href="#">2001/0140(COD)</a>  Repealing Regulation (EC) No 1554/2003 <a href="#">2001/0140A(COD)</a>  Repealing Regulation (EC) No 894/2002 <a href="#">2002/0013(COD)</a>  Repealing Regulation (EC) No 545/2009 <a href="#">2009/0042(COD)</a></p> <p>Subject</p> <p>3.20.01 Air transport and air freight 3.20.01.01 Air safety</p> <p>Legislative priorities</p> <p><a href="#">Joint Declaration 2021</a> <a href="#">Joint Declaration 2022</a></p>	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 <a href="#">Transport and Tourism</a>	 <a href="#">RIQUET Dominique</a>	18/07/2019
		Shadow rapporteur	
		 <a href="#">FRANKOWSKI Tomasz</a>  <a href="#">AMERIKS Andris</a>  <a href="#">CUFFE Ciarán</a>  <a href="#">FIDANZA Carlo</a>  <a href="#">HAIDER Roman</a>	
	Former committee responsible		
	 Transport and Tourism		19/12/2011
	Former committee for opinion	ALDE <a href="#">UGGIAS Giommaria</a>	
Council of the European Union	Former committee for opinion		
	 Legal Affairs		
	Council configuration	Meeting	Date
	<a href="#">Transport, Telecommunications and Energy</a>	<a href="#">3196</a>	29/10/2012
	<a href="#">Transport, Telecommunications and Energy</a>	<a href="#">3134</a>	12/12/2011

European Commission	Commission DG	Commissioner
European Economic and Social Committee	<u>Mobility and Transport</u>	KALLAS Siim
European Committee of the Regions		

Key events			
01/12/2011	Legislative proposal published	<a href="#">COM(2011)0827</a>	Summary
12/12/2011	Debate in Council	<a href="#">3134</a>	
13/12/2011	Committee referral announced in Parliament, 1st reading		
29/10/2012	Debate in Council	<a href="#">3196</a>	Summary
06/11/2012	Vote in committee, 1st reading		
15/11/2012	Committee report tabled for plenary, 1st reading	<a href="#">A7-0379/2012</a>	Summary
11/12/2012	Debate in Parliament		
12/12/2012	Results of vote in Parliament		
12/12/2012	Decision by Parliament, 1st reading	<a href="#">T7-0495/2012</a>	Summary
24/09/2019	Committee decision to open interinstitutional negotiations after 1st reading in Parliament		
09/10/2019	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 72)		

Technical information	
Procedure reference	2011/0391(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Recast
Legislative instrument	Regulation
	Repealing Regulation (EC) No 793/2004 <a href="#">2001/0140(COD)</a> Repealing Regulation (EC) No 1554/2003 <a href="#">2001/0140A(COD)</a> Repealing Regulation (EC) No 894/2002 <a href="#">2002/0013(COD)</a> Repealing Regulation (EC) No 545/2009 <a href="#">2009/0042(COD)</a>
Legal basis	Treaty on the Functioning of the EU TFEU 100-p2
Mandatory consultation of other institutions	<a href="#">European Economic and Social Committee</a> <a href="#">European Committee of the Regions</a>
Stage reached in procedure	Awaiting Council's 1st reading position
Committee dossier	TRAN/7/08024

Documentation gateway					
Legislative proposal		<a href="#">COM(2011)0827</a>	01/12/2011	EC	Summary

Document attached to the procedure		<a href="#">SEC(2011)1443</a>	01/12/2011	EC	
Document attached to the procedure		<a href="#">SEC(2011)1444</a>	01/12/2011	EC	
Committee draft report		<a href="#">PE491.255</a>	19/06/2012	EP	
Amendments tabled in committee		<a href="#">PE496.307</a>	17/09/2012	EP	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A7-0379/2012</a>	15/11/2012	EP	Summary
Text adopted by Parliament, 1st reading/single reading		<a href="#">T7-0495/2012</a>	12/12/2012	EP	Summary
Commission response to text adopted in plenary		<a href="#">SP(2013)111</a>	13/02/2013	EC	

#### Additional information

National parliaments	<a href="#">IPEX</a>
European Commission	<a href="#">EUR-Lex</a>

## Allocation of slots at EU airports

**PURPOSE:** to recast Regulation (EEC) n° 95/93 on the allocation of airport slots in order to i) ensure optimal allocation and use of airport slots in congested airports; ii) ensure strengthened and effectively implemented slot allocation and use and iii) enhance fair competition and competitiveness of operators.

**PROPOSED ACT:** Regulation of the European Parliament and of the Council.

**BACKGROUND:** the implementation of the Slot Regulation has significantly improved slot allocation at busy European airports in terms of neutrality and transparency, making a major contribution to the creation of the internal market in aviation.

Nowadays, however, there is much more competition. Since 1992, the number of intra-EU routes operated has more than doubled and there has been a 150 % increase in long-haul flights departing from European airports. In 1992, just 93 European routes were served by more than two airlines. In 2010 there were 479 such routes.

The slot-allocation system established in 1993 does not ensure the optimum allocation and use of slots and thus of airport capacity.

As highlighted by Eurocontrol and ACI-Europe, one of the key challenges facing Europe is airport congestion. According to Eurocontrol's Long Term Forecast in December 2010, even taking into account currently planned infrastructure enhancements, as much as 10% of demand for air transport will remain unmet in 2030 due to a shortage of airport capacity.

Therefore, it is necessary to review the Slot Regulation to determine to what extent it can be improved with a view to matching capacity to demand for air transport in all sectors (long-haul, regional, cargo, etc.).

This initiative is one of the actions necessary for the Single European Transport Area as described in the Commission's White Paper: [Roadmap to a Single European Transport Area Towards a competitive and resource efficient transport system](#). It is also part of the airport package of measures identified as a strategic initiative in the 2011 Commission Work Programme.

**IMPACT ASSESSMENT:** three packages is as follows:

- the first policy package included measures to improve the effectiveness of slot allocation and the use of slots, without changing the administrative nature of the current system;
- the second package incorporated the elements of the first package but added several more, including market-based mechanisms (in the form of explicit provision for secondary trading across the EU). It also included several pro-competitive proposals, such as revision of the new entrant rule and making the criteria for granting priority for allocation of a slot for the following season (so-called grandfather rights) slightly stricter;
- the third package comprised all elements of the second package, but took the market-based mechanism a step further by withdrawing 'grandfather' or 'historical' slots and having them auctioned.

The Commission recommended that the second package be implemented as its benefits would be considerably higher than the costs incurred. For the 2012-25 period, the package was estimated to result in an average annual increase of 1.6 % (or 23.8 million) in the number of passengers carried, a net economic benefit of EUR 5.3 billion, as well as a significant increase in employment (up to 62 000 full-time jobs).

**LEGAL BASIS:** Article 100 (2) TFEU.

**CONTENT:** the main points of the proposal are as follows :

#### 1) Introduction of the possibility for secondary trade in slots and increased competition

- in order to encourage greater slot mobility, the proposal expressly allows airlines to buy and sell slots ;
- it is also proposed to broaden the definition of 'new entrant', to help facilitate the growth of sustainable competitors and reduce the

schedule fragmentation that occurs when slots are allocated to a larger number of airlines unable to translate these slots into a viable alternative to dominant carriers.

2) Strengthening the transparency of the slot allocation process and the independence of slot coordinators: the proposal:

- contains a number of provisions to ensure that the slot allocation process is supported by a sufficient degree of transparency;
- will allow stricter criteria for the independence of the coordinators with regard to any interested party to be defined;
- advocates enhanced cooperation between the coordinators, initially through the development of common projects covering, for instance, the development of common slot allocation software or even merging the coordination activities for airports situated in different Member States.

On the basis of progress made, the Commission could eventually propose, at a later stage, the creation of a European coordinator responsible for slot allocation at all European Union airports.

3) Integration of slot allocation with the reform of the European air traffic management system (Single European Sky): the proposal aims to make an important contribution to strengthening the management of the aviation network at European level by associating the European Network Manager with the slot allocation process:

- the Commission may request a capacity analysis at an airport, should the network manager deem this necessary for ensuring coherence with the airport operational plan. Such capacity analyses would be carried out in accordance with standards agreed at European level;
- the Commission could make recommendations to the Member State on the capacity assessment if the network manager suggests that it does not fully take into account the needs of the European network;
- the proposal also introduces a new category of airport: the 'network airport'. Such airports are not coordinated, but are identified as important since they may offer alternatives during times of network disruption. Thus, the proposal provides that coordinators gather information on the operations at these airports.

4) Amendment of the '80-20' rule and definition of a series of slots and resort to the airport charge system to discourage the late return of slots to the pool:

- in order for airlines to be granted priority for the allocation of a given slot in the next corresponding scheduling season, they need to have used at least 85 % of the allocated series of slots (instead of 80 % at present);
- the minimum series length (i.e. the minimum number of weekly slots required for priority allocation for the following corresponding season) is raised from 5 to 15 for the summer season and 10 for the winter season. Exceptions are provided for certain types of traffic (charter) to take the characteristics of regional airports into account;
- lastly, to ensure that slots reserved prior to the start of an operating season are in fact operated as planned by airlines, the proposal would authorise airports to use an airport charge system to dissuade air carriers from belatedly returning slots to the pool.

BUDGETARY IMPLICATIONS: the proposal has no implications for the EU budget.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.

## Allocation of slots at EU airports

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The Council agreed a general approach on a recast of the 1993 regulation on the allocation of landing and take-off slots at EU airports that face capacity problems.

The revision is intended to tackle growing airport congestion by introducing a series of measures:

- airlines will be allowed to sell and buy slots ("secondary trading");
- Member States will have the possibility of introducing charges for carriers that return unused slots to the slot pool when it is too late for re-allocation;
- the independence of, and cooperation between, slot coordinators will be strengthened, and the transparency of the allocation process will be enhanced;
- the Single European Sky (SES) network manager will be associated with the allocation process, so that the impact of capacity allocation at a given airport upon the whole European air traffic network can be taken into account.

The main outstanding issue that needed to be settled by ministers concerned the possibility for airlines to sell and buy slots. Some delegations requested the introduction of safeguards because of concerns about the possible negative impact of secondary trading on - economically less profitable - regional flights or about the potential speculative use of traded slots. Other delegations, however, as well as the Commission, stressed the need for a uniform application of the system, pointing to the risk of market fragmentation.

As a compromise acceptable to the majority of delegations, the text of the draft regulation tabled by the Presidency has been amended to allow Member States to apply temporary restrictions where a significant and demonstrable problem with secondary trading occurs. Such restrictions must be transparent, non-discriminatory and proportionate, justified and communicated to the Commission, which has the right to oppose them. Member States will be obliged to comply with the Commission's decision, which must also be justified.

In addition, still within the framework of the secondary trading scheme, conditions have been slightly relaxed as regards the use of re-timed slots received after an exchange of newly acquired slots, which is allowed only in order to improve the slot timings for the services concerned. It was agreed that such re-timed slots need not necessarily be operated during a full scheduling period.

The compromise achieved also includes a number of changes to other parts of the Draft Regulation:

- where the withdrawal of slots in the event of misuse would be disproportionate, the coordinator will have the alternative option of

- recommending the imposition of penalties;
- the provisions on slot cancellation due to a public holiday were removed since they are considered superfluous;
- slight changes were also made to the provisions on the procedures for emergency coordination, on access to the coordinator's database, on information to be provided by air carriers and on the information to be provided by the coordinator to the airport managing body.

As regards the changes proposed by the Commission to the current conditions for granting priority in slot allocation to carriers that already had the same slots in previous scheduling seasons ("historical slots"), the discussions in the Council's preparatory bodies had already shown that a large majority of Member States are against those changes. At the Council meeting, the Commission reaffirmed its proposal to raise the minimum rate at which carriers must effectively have used the slots allocated from the current 80% to 85% and the minimum number of slots to be requested for the same time on the same day of the week ("slot series") from the current 5 to 15 for the summer season and 10 for the winter season. Most Member States, on the contrary, prefer to keep the current system, pointing to the need for flexibility for airlines, notably in order to avoid empty flights being operated only in order to secure entitlement to the slots. However, it will be possible to increase the minimum number of slots required within the framework of local guidelines.

The European Parliament, whose approval is also required for the adoption of the Regulation, has not yet determined its position on the proposal.

## Allocation of slots at EU airports

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The Committee on Transport and Tourism adopted the report by Giommaria UGGIAs (ALDE, IT) on the proposal for a Regulation of the European Parliament and of the Council on common rules for the allocation of slots at EU airports (recast). It recommends that the European Parliament's position in first reading following the ordinary legislative procedure should amend the Commission proposal as follows:

**Coordinators role:** in legal terms, the coordinator's essential functions, which consist of allocating slots in an equal and non-discriminatory manner, shall be given to a natural or legal person who or which is not a service provider in the airport, an airline operating from the airport or the managing body of the airport in question. The committee adds that in order to prove that he/she/it does not share common interests with any such entities, the coordinator or schedules facilitator must submit an annual declaration of his/her/its financial interests. Furthermore, the composition of the coordinator's board or supervisory function shall also be independent of the direct interests of the airport managing body, the airline users of that airport and any other entity representing a user or service provider. This shall not, however preclude representatives of such organisations from being members of a board or supervisory function, provided that voting rights are balanced.

Members also add that:

- the coordinator or schedules facilitator, whether as a natural or legal person, must not have been employed by, or worked regularly with, the airport managing body or a service provider or airline operating at or from the airport in question during the two years preceding his/her/its appointment and during the two years from the cessation of his/her/its duties as a coordinator or schedules facilitator;
- the system of financing the coordinator's activities and those of the schedules facilitator shall be such as to guarantee the coordinator's independent status.

The financing referred to shall be provided by all the air carriers who operate in the coordinated and schedules facilitated airports, and by those airports in such a way as to ensure that the financial burden is distributed equitably among all interested parties and that the financing does not largely depend on a sole interested party. Member States shall launch a stakeholder consultation procedure, incorporating the possibility of an appeal, in order to ensure transparent, non-discriminatory charging correlating to the service provided by the coordinator or schedules facilitator. Collection of the air carriers payments shall be the responsibility of the airports concerned, which shall pay those amounts to the coordinator or schedules facilitator. Member States shall ensure that adequate financial, human, technical and material resources and expertise are at the disposal of the coordinator and the schedules facilitator, such as to enable them to carry out their duties at all times.

The coordinator and the schedules facilitator shall furthermore submit to the Commission, to the Member States and to all parties involved in their financing a separate annual financial report indicating in detail revenue and expenditure relating to their activities.

**Usage rate:** under the Commission's proposal on airport slot allocation, a slot would be taken away from an airline if it is used less than 85% of the time. The current threshold is 80%. The committee states that raising the slot series usage rate to 85% seems excessive and is not an appropriate answer to congestion problems. This rate would also lead to carriers flying empty in order not to lose their series allocation, which is hardly in keeping with the overriding need to address the environmental impact of this mode of transport. The rate would therefore seem to be of little economic or environmental benefit. An 80-20 ratio should therefore be maintained for series usage rates.

**Financial sanctions:** rather than using general fees, Members specify that the managing body of a coordinated airport must establish and apply effective, proportionate and dissuasive financial sanctions to deal with the return of slots after the agreed Historic Baseline Dates for the following winter or summer season, respectively, or the retention of unused slots with the aim of dissuading air carriers from belatedly returning slots to the pool, and must hold them liable for having reserved airport infrastructure without using it. The new text sets out a series of principles that must be respected in laying down sanctions.

**Revenue from slots trading:** Members specify that Member States may adopt measures to allocate a portion of the revenue generated from the slots trading to a fund in order to cover the costs of developing airport infrastructure and optimising related services. In the interests of complete transparency, the fund in question shall be determined and approved by an independent supervisory authority as referred to in Directive 2009/12/EC. The fund must at all times be managed in such a way as to ensure that the principles of separate accounting are followed, so that the financial amounts to be allocated from the fund to each airport can be established. The revenues generated from the slot trading at one airport shall be reinvested at the same airport.

**Monitoring of secondary trading:** lastly, the Commission shall monitor the secondary markets for slots based on the data received from co-ordinators and shall report on relevant trends, including those relating to regional and intra-Union connectivity, in its Annual Analysis of Air Transport Markets.

# Allocation of slots at EU airports

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The European Parliament adopted by 565 votes to 69 with 26 abstentions a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on common rules for the allocation of slots at EU airports (recast). Parliament's position in first reading following the ordinary legislative procedure amends the Commission proposal as follows:

**Definition of airport slots:** Parliament notes that the relevant theory and case law have not yet advanced sufficiently to produce an exhaustive legal definition of airport slots. As of now it is expedient to be able to work on the assumption that the use of slots in the public interest - hence not in any strict sense a public good - may serve as a guideline for a legal definition. It is therefore appropriate to formulate a definition of slots that establishes that they may become subject to rights and that governs the allocation of slots. Parliament adds that airport slots are non-material assets of public utility whose use is subject to the conditions laid down in this Regulation. They are therefore assigned by airport coordinators so as to ensure maximum transparency, in the interests of Member States, passengers, airport managers and air carriers.

**Series of slots** is amended to mean at least five slots which have been requested for the same time on the same day of the week regularly in the same scheduling period and allocated by the coordinator on that basis or, if that is not possible, allocated at approximately the same time, unless agreed otherwise through a local rule under the conditions referred to in the text. The Commission proposal had stated that series of slots should mean at least 15 slots for a summer scheduling period and 10 slots for a winter scheduling period requested for the same time on the same day of the week for consecutive weeks.

**Coordinators role:** Members strengthened provisions regarding the independence of the coordinator. The draft regulation states that in legal terms, the coordinator's essential functions, which consist of allocating slots in an equal and non-discriminatory manner, shall be given to a natural or legal person who or which is not a service provider in the airport, an airline operating from the airport or the managing body of the airport in question. Parliament adds that in order to prove that he/she/it does not share common interests with any such entities, the coordinator or schedules facilitator must submit an annual declaration of his/her/its financial interests. Furthermore, the composition of the coordinator's board or supervisory function shall also be independent of the direct interests of the airport managing body, the airline users of that airport and any other entity representing a user or service provider. This shall not, however preclude representatives of such organisations from being members of a board or supervisory function, provided that voting rights are balanced.

Members also add that:

- the coordinator or schedules facilitator, whether as a natural or legal person, must not have been employed by, or worked regularly with, the airport managing body or a service provider or airline operating at or from the airport in question during the two years preceding his/her/its appointment and during the two years from the cessation of his/her/its duties as a coordinator or schedules facilitator;
- the system of financing the coordinator's activities and those of the schedules facilitator shall be such as to guarantee the coordinator's independent status.

The financing referred to shall be provided by all the air carriers who operate in the coordinated and schedules facilitated airports, and by those airports in such a way as to ensure that the financial burden is distributed equitably among all interested parties and that the financing does not largely depend on a sole interested party. Member States shall launch a stakeholder consultation procedure, incorporating the possibility of an appeal, in order to ensure transparent, non-discriminatory charging correlating to the service provided by the coordinator or schedules facilitator. Collection of the air carriers payments shall be the responsibility of the airports concerned, which shall pay those amounts to the coordinator or schedules facilitator. Member States shall ensure that adequate financial, human, technical and material resources and expertise are at the disposal of the coordinator and the schedules facilitator, such as to enable them to carry out their duties at all times.

The coordinator and the schedules facilitator shall furthermore submit to the Commission, to the Member States and to all parties involved in their financing a separate annual financial report indicating in detail revenue and expenditure relating to their activities.

The electronic database for which the coordinator is responsible shall be freely accessible for all interested parties upon request, including the European Parliament, and contain the information prescribed in the text.

**Local rules:** Members specify that local rules shall concern the allocation and monitoring of slots and may be applied only where it can be proved that an airport reaches an alarming level of congestion and that performance or throughput improvements can therefore be delivered through locally applied rules. Such local rules shall be transparent and non-discriminatory, and shall be agreed on in the coordination committee. The Commission proposal had specified instead that the local guidelines might only concern the monitoring of the use of slots allocated or the amendment of the definition of a series of slots to reduce its length below 10 slots for the winter scheduling period or below 15 slots for the summer scheduling period, but under no circumstances below 5 slots.

**Usage rate:** under the Commission's proposal on airport slot allocation, a slot would be taken away from an airline if it is used less than 85% of the time. The current threshold is 80%. However, Parliament rejected the proposal to raise the slot series usage rate to 85% and maintains in the text an 80-20 ratio for series usage rates.

Members add that slots shall be returned to the pool when they are not being used after the expiry of a maximum period of six months. When a route no longer meets the requirement for Public Service Obligations slots reservation, the slots shall either be reserved for another route subject to public service obligations or shall remain with the air carrier which was using them if the requirement laid down in the Regulation has been met for the series concerned.

**Financial sanctions:** rather than using general fees, Members specify that the managing body of a coordinated airport must establish and apply effective, proportionate and dissuasive financial sanctions to deal with the return of slots after the agreed Historic Baseline Dates for the following winter or summer season, respectively, or the retention of unused slots with the aim of dissuading air carriers from belatedly returning slots to the pool, and must hold them liable for having reserved airport infrastructure without using it. The new text sets out a series of principles that must be respected in laying down sanctions. Members stipulate that the system of sanctions shall be revenue-neutral for the airport managing body and shall be aimed solely at increasing the efficiency of time slot allocation.

These sanctions must be in place not later than one year after the adoption of the Regulation. Member States shall duly inform the Commission, which shall assess the effectiveness of the sanctions in question.

Where a financial sanction is necessary, it shall apply to each individual failure by an air carrier to comply with the relevant provisions, and

shall have a pre-determined minimum value, to be set by the Member State concerned. Multiple infringements may give rise to the imposition of a series of financial sanctions and may result in, for example, the doubling of the financial penalty for each further infringement. The coordinator shall be duly informed of the imposition of penalties. Decisions to impose financial sanctions shall be published by the coordinator.

Revenue from slots trading: Parliament specifies that Member States may adopt measures to allocate a portion of the revenue generated from the slots trading to a fund in order to cover the costs of developing airport infrastructure and optimising related services. In the interests of complete transparency, the fund in question shall be determined and approved by an independent supervisory authority as referred to in Directive 2009/12/EC. The fund must at all times be managed in such a way as to ensure that the principles of separate accounting are followed, so that the financial amounts to be allocated from the fund to each airport can be established. The revenues generated from the slot trading at one airport shall be reinvested at the same airport.

Monitoring of secondary trading: Parliament approves the Commissions view that the allocation and use of slots could be made more effective by introducing slot exchange mechanisms, by ensuring that the unused slots are made available to interested operators as soon as possible and in a transparent manner, and by reinforcing the underlying principles of the system with regard to the allocation, management and use of the slots. In addition, it is important that access to hub airports from regional airports be maintained where such routes are essential to the economy of the region in question. Therefore, concerns regarding efficient allocation of slots must continue to be balanced against the need to protect the external benefits of air transport services and in particular the value that they create for European regions.

Lastly, Parliament adds that the Commission shall monitor the secondary markets for slots based on the data received from co-ordinators and shall report on relevant trends, including those relating to regional and intra-Union connectivity, in its Annual Analysis of Air Transport Markets.