

**57th CONFERENCE OF
DIRECTORS GENERAL OF CIVIL AVIATION
ASIA AND PACIFIC REGION**

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**AGENDA ITEM 6 : ECONOMIC DEVELOPMENT OF AIR
TRANSPORT**

**SLOTS AND TRAFFIC RIGHTS COLLECTION DEFERRAL POLICY
TO RESPOND TO INTERNATIONAL FLIGHT SHUTDOWN
DUE TO COVID 19**

Presented by the Republic of Korea

INFORMATION PAPER

SUMMARY

Following the Covid-19 outbreak, the Republic of Korea (ROK) has deferred the collection of slots and traffic rights in order to protect the slots and traffic rights given to the airlines of the ROK. Based on reciprocity between countries, slot collection measures at overseas airports have also been mutually deferred. The Korean Aviation Authority will comply with the IATA World Airport Slot Board (WASB) in determining the mandatory slot utilization for the 2022 winter period. It also plans to consider changes in the policies of major countries to use slots and reciprocity with other States.

SLOTS AND TRAFFIC RIGHTS COLLECTION DEFERRAL POLICY TO RESPOND TO INTERNATIONAL FLIGHT SHUTDOWN DUE TO COVID 19

1. INTRODUCTION

1.1 Following the outbreak of Covid-19, the Republic of Korea (ROK) began to reduce the frequency of international flights in order to prevent an influx of overseas confirmed cases. The scale was reduced by up to 97%, compared to the pre-Covid era, and the field experienced an unprecedented crisis.

1.2 Meanwhile, the Ministry of Land, Infrastructure and Transport (MOLIT) of the ROK includes a clause in its directives mandating a certain usage rate of slots and traffic rights for airlines for the sake of the effective use of those national assets. Airlines that do not comply with this will have their slots and traffic rights collected by the State.

1.3 However, there is also a proviso clause stating that “The collection of slots and traffic rights may be deferred in situations where flight operations interruptions are unavoidable, due to disasters.” This clause takes into account any unintentional non-utilization of slots and traffic rights by airlines, due to the outbreak of unavoidable infectious diseases, such as Covid-19.

1.4 Accordingly, the MOLIT applied and informed airlines of the suspension of the collection of slots and traffic rights for 2020, immediately following the outbreak of Covid-19 in February 2020, and this measure was extended twice (from 2020 to 2022), following the spread of the Covid-19. The traffic rights rule applies only to domestic airlines and the MOLIT has a high level of discretionary power. In the case of slots, on the other hand, foreign airlines must be the subject to the collection deferral, and likewise, Korean national airlines must also obtain an authorization for slot collection deferral from overseas aviation authorities.

Note: Slots are allocated to airlines twice every season [March and October] by aviation authorities around the world. If 80% of the allocated slots are utilized by airlines, the vested rights will be recognized in the following season. [International standard: Worldwide Slot Guidelines, IATA].

1.5 As the aviation industry places importance on “reciprocity” in applying inter-country policies, letters to request reciprocal slot collection suspension have been sent to 34 States, and through this, Korean airlines were able to prevent the loss of overseas airport slots.

2. DISCUSSION

2.1 Currently, States where the Covid-19 infection rate has been stabilized, such as Europe and the United States, are actively encouraging airlines to resume international flights by increasing the mandatory slot usage rate. Asia, which has been somewhat conservative in the Covid-19 situation, is also gradually easing border quarantine policies.

2.2 In this regard, IATA recommended applying a mandatory slot utilization rate of airlines from 50 to 80%, depending on the entry restriction level by the particular State, from the summer of 2022 (December 2021). It also recommended maintaining the Justified Non-Utilization of Slots in cases where flight operations are limited due to quarantine measures. Similar recommendations were issued for the winter of 2022 (May 2022).

< World Wide Airport Slot Board recommendation, 12.13 >

Entry restriction level		Mandatory utilization rate for slot maintenance**
Strict control*	Only essential travel is allowed, Quarantined upon entry (regardless of vaccination history)	50%
Partial control	Entry allowed for vaccinated persons (both domestic and foreign), PCR test required (regardless of vaccination history)	60~70%
Open process	Entry allowed for vaccinated persons (both domestic and foreign), PCR test required (unvaccinated persons)	60~70%
Fully open	Full acceptance of international flights and full recovery of domestic flights	80%

* The ROK lifted the quarantine obligation for overseas arrivals from June 8th, though PCR tests are still required. ⇒ Open process

2.3 The European Union applies a mandatory slot utilization rate of 64% as a condition for each airline to maintain their vested slots during the summer of 2022, and only JNUS is applying every three weeks. Considering the recent stabilization of the quarantine situation, the ROK lifted the quarantine obligation for overseas arrivals and most of the restrictions on international flights as of June 8th. The policy of mandatory slot utilization will also be improved in a way that encourages airlines operating from and to the ROK to resume operations. The Korean Aviation Authority will comply with the IATA World Airport Slot Board (WASB) in determining the mandatory slot utilization for the 2022 winter period. It also plans to consider changes in the policies of major countries to use slots and reciprocity with other States.

3. ACTION BY THE CONFERENCE

3.1 The Conference is invited to note the information contained in this Paper.

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