

## Air carriers that do not hold a valid operating license

### 1. PURPOSE

This WWACG Slot Guideline aims at providing guidance about how to proceed in those situations where companies request or hold slots/schedules without having a valid operating license or the equivalent.

This includes the situation where companies are in the process of being granted a valid operating license by the competent authority (i.e. 'paper airlines') as well as the situation where the operating license of an air carrier has been withdrawn, revoked or suspended by the competent authority.

A company in the process of establishing itself as an air carrier that does not hold a valid operating license by the Historic Baseline Date (31<sup>st</sup> January/31<sup>st</sup> August) or air carriers whose operating license has been withdrawn or suspended are not entitled to hold slots.

### 2. REFERENCES

IATA Worldwide Slot Guidelines

- Section 8.16 – Slots of an airline that loses its operating license
- Section 8.17 – Slots allocated before traffic rights or operating license

### 3. GUIDELINES

Depending on the phase of the scheduling season that the slots/schedules refer to, Coordinators and Schedules Facilitators should take the following actions when an airline without a valid operating license requests or holds slots/schedules:

#### 3.1 A company in the process of establishing itself as an air carrier ('paper airline')

- The air carrier is entitled to request slots/schedules.
- Coordinators may reserve slots for it on a temporary basis.
- The company may apply for schedule changes in accordance with the normal allocation procedures.
- The status of the air carrier's operating license should be reviewed by the Coordinator or Schedules Facilitator by the Slot Return Deadline ((15<sup>th</sup> January/15<sup>th</sup> August)

- The Coordinator or Schedules Facilitator should place in the pool/withdraw the slots/schedules that were temporary allocated/recommended to the company in this situation, if by 31<sup>st</sup> January/31<sup>st</sup> August the company does not hold a valid operating license or if it has not been clearly stated by the competent authority that it will very likely be granted one before the start of the planned operations.

### **3.2 Air carriers whose operating license becomes invalid (suspended or withdrawn)**

- The Coordinator or Schedules Facilitator should take control of the slots and try to establish contact with the air carrier immediately (either directly or through its authorized representatives or appointed administrators) to seek clarification and to be informed about its intentions with regard to the slots allocated/schedules recommended.
- The Coordinator or Schedules Facilitator should set a reasonable deadline, by which to receive such information.
- The Coordinator or Schedules Facilitator informs the air carrier that slots allocated/schedules recommended to the air carrier will be subject to the supervision and authorization of the Coordinator/Schedules Facilitator with respect to any action intended to affect these slots.
- The air carrier will not be allowed to request any changes to its schedule (slots/schedules blocked) unless otherwise agreed between the air carrier and the Coordinator or Schedules Facilitator.
- The Coordinator or Schedules Facilitator should take the appropriate measures in its systems to ensure that data on flights that will not operate in the short term are not included in schedule feeds to other entities or organizations (e.g. airport operator, on-line portals, etc.).
- The Coordinator should not re-allocate the historic slots of that air carrier to another air carrier if the license is suspended or withdrawn shortly before the initial submission deadline and if it is requested to do so by the air carrier concerned.
- The Coordinator or Schedules Facilitator should place slots allocated to such air carriers into the pool for re-allocation or should withdraw the schedules recommended if, by the set deadline, no clear evidence has been received that a valid operating license will be re-instated (i.e. operations can be resumed) and/or that a formal takeover of the air carrier's activities by another air carrier may occur.
- If after trying to establish contact with the air carrier by all means (either directly or through its authorized representatives or appointed administrators), no contact has taken place the Coordinator or Schedules Facilitator should set his own reasonable deadline before proceeding with the cancellation and re-allocation of the slots/schedules.

## *What is a reasonable deadline?*

When setting the deadline for the air carrier concerned, the Coordinators/Schedules Facilitators should consider the following circumstances:

- The current stage in the coordination process (e.g. before start of the season or during the season). Where appropriate, the same deadline may apply for the slots held in both summer and winter seasons.
- The impact of the air carrier's schedule on the airport/airports concerned and the possibility of having a significant slot pool for re-allocation (e.g. the amount and quality of the slots concerned, the prospects for re-allocation, etc.).
- The information available from other reliable sources (e.g. civil aviation authorities, other Coordinators/Schedule Facilitators, etc.), including the possibility that the air carrier could be granted a temporary license.
- The capacity situation (slot availability) of the airport/airports concerned to prevent wastage of scarce capacity.
- The possibility that the slots allocated may have an influence on a formal takeover of the air carrier concerned and/or in obtaining new financing.
- The existence of any national regulation or local rule applicable to the particular Coordinator or Schedules Facilitator that may establish or provide guidance for the determination of such a deadline

### **3.3 Importance of the exchange of information**

When an air carrier's operating license becomes invalid or has not yet been granted, information available is very often scarce and confusing.

In this situation, it is of great value and importance that Coordinators/Schedules Facilitators exchange relevant information amongst themselves and with the relevant competent authorities. Where possible, the Coordinator/Schedules Facilitator of the same country where the air carrier is registered should act as the focal point for regularly distributing information to other Coordinators/Schedules Facilitators affected by the situation.

If feasible, the Coordinators and Schedules Facilitators concerned should agree on the same deadline for the air carrier to clarify the future use of the slots/schedules allocated/recommended, taking into account the fact that each Coordinator and Schedules Facilitator may have different local factors to consider.