



Airlines for America^{*}

We Connect the World

[REDACTED]
Directorate General for Mobility
and Transport (MOVE)
Rue de Mot 24
1040 Brussels
(delivered via e-mail: [REDACTED])

December 11, 2020

Re: A4A Support for WASB Proposal for Slot Alleviation

Dear [REDACTED]

Airlines for America (A4A), on behalf of its members,¹ respectfully requests the Commission to incorporate the Worldwide Airport Slot Board (WASB) recommendation for summer 2021 (attached). The WASB recommendation represents a balanced compromise between the interests of airports, airlines and coordinators that will benefit consumers and ensure the optimal allocation of slots for the Summer Season 2021 (March 28 – October 30, 2021).

A4A members operated extensive services between North America and the EU prior to COVID-19 and are anxious to restore these services once the impact of the pandemic abates. Slot use relief is critical to this objective because it preserves the historic right to slots that are vital to an airline's future connectivity and preserves consumer choice now and in the future. A4A is aligned with IATA in support of the WASB proposal but we wish to provide you with some additional observations of our own.

We commend the Commission for its leadership to date during the COVID-19 crisis. The Commission has spearheaded initiatives that are vital to the industry's recovery including, but not limited to, proposals for a blanket slot waiver in Summer Season 2020 and Winter Season 2020/21 and the promotion of a safe and coordinated approach to travel restrictions. These actions reflect the Commission's commitment to preserve the social and economic benefits that the airline industry generates.

We believe that the evidence justifies a blanket slot waiver for Summer Season 2021 but we are willing to accept the WASB recommendation in the interest of compromise. The aviation industry faces unprecedented times because of COVID-19 and associated government travel restrictions. Global connectivity has declined 65%. In the week ending December 6, 2020, transatlantic passenger volume on A4A carriers was down 88% year over year. IATA originally forecasted a 29% revenue decrease in 2021 from 2019. With travel recovery further delayed due to new COVID-19 outbreaks in the EU, United States and elsewhere, and continued government travel restrictions worldwide, IATA now projects that the global airline industry's 2021 revenue will be down 46% from 2019 levels due to increasingly depressed demand. Bookings for 2021 and the Summer Season remain low and uncertain.

¹ A4A is the principal trade and service organization of the U.S. scheduled airline industry. Members of the association are Alaska Airlines, Inc.; American Airlines Group, Inc.; Atlas Air, Inc.; Delta Air Lines, Inc.; Federal Express Corporation; Hawaiian Airlines; JetBlue Airways Corp.; Southwest Airlines Co.; United Holdings, Inc.; and United Parcel Service Co. Air Canada is an associate member.

Adoption of the WASB recommendation is the next logical step in the Commission's program to promote the industry's recovery. The recommendation represents the unified position of all key industry players - IATA, ACI World, and the WWACG - and represents a fair and equitable allocation of rights and responsibilities. The WASB recommendation allows for consumer choice in the short term with reallocation of slots and in the long term by restoring the service choices consumers expect when demand returns. IATA has presented solid empirical evidence to show that it will efficiently allocate slots in Summer 2021 as the industry continues to navigate through the crisis.

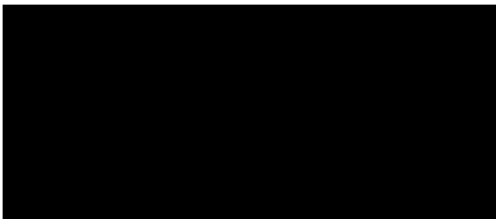
We take this opportunity to highlight two provisions of the WASB recommendation that are of particular importance to our members. First, airlines need full relief for slot series returned to the pool because it guarantees airlines historic rights to slots that are vital to their future connectivity. It also gives other airlines the opportunity to use the slots returned in a manner that better matches market demand, providing consumers with additional service and airports with much-needed revenues.

Second, the clearly defined force majeure provision that justifies not using slots (JNUS) is essential because of recurrent uncertainties in the marketplace. The industry will continue to be subject to a patchwork of travel restrictions and quarantines in Europe and around the world throughout Summer 2021 and likely beyond, until COVID-19 vaccines are widely distributed. The JNUS is not a blank check; it requires airlines to present a solid case to avail themselves of the relief. The Commission allowed a force majeure exception in the passenger protection area during the COVID-19 crisis. The same principle should apply in the case of slot allocation.

In terms of timing, we hope that the EU can finalize the slot relief legislation no later than mid-January so that airlines can meet the February 8, 2021 deadline in the WASB recommendation for return of slots and schedule adjustments. We appreciate that this is a tight timeline but trust that you can understand the urgency of this request.

We thank you for your kind attention to these comments. Please do not hesitate to contact me if you have any questions or require further information.

Sincerely,



cc: [REDACTED], DG-MOVE

[REDACTED], DG-MOVE

[REDACTED], DG-MOVE

[REDACTED], DG-MOVE