



RECOMMENDED PRACTICE

Handling of 'Paper Airlines'

Version 4 – 12 March 2005

1. Explanation

'Paper airlines' (undertakings) without all the necessary authorities, finance or equipment to commence operations (e.g. IATA designator, traffic rights, AOC, Operating Licence, aircraft etc) occasionally apply for slots at Coordinated airports in the expectation of obtaining the authorities and resources they need before their first operation. Sometimes they are successful – sometimes they are not.

The purpose of this recommendation is to ensure scarce airport capacity is not wasted as a result of an allocation of slots to 'paper airlines' that are unable to commence operations at a late stage in the scheduling process whilst giving maximum support to new entrant air carriers to start new services.

2. References

The Regulation refers in Article 14.2 to the Coordinators' duty to withdraw slots allocated to any 'paper airline' that does not hold an operating licence by the slot return deadline for the coming season, unless the carrier is likely to receive a licence by the start of the season.

The IATA Worldwide Scheduling Guidelines, Section 6.12, deals with airlines requesting slots prior to obtaining traffic rights or its operating licence.

3. Rationale/Description

'Paper airlines' are entitled to request slots. Where slots are not in short supply they should be allocated to the 'paper airline' in accordance with normal slot allocation procedures.

Where slots are in short supply they should not be allocated to 'paper airlines' and then withdrawn but should be **reserved** for the 'paper airline' **on a provisional basis only**. The Coordinator retains control of the slots and reserves the right to cancel or change the slots should a higher priority and/or more certain demand for the slots arise during the coordination process. The Coordinator should maintain a dialogue with the 'paper airline' affected.

Before the deadlines of 31 January or 31 August the Coordinator should request confirmation of the status of the operating licence, or equivalent,, finance or equipment which the undertaking should supply to the Coordinator in accordance with Article 7 of the Regulation..

Where an undertaking fails to provide the required information, or provides false or misleading information in response to enquiries by the Coordinator or if the undertaking does not hold an operating licence, or equivalent, or it has not been stated by the competent licensing authority that it is likely that an operating licence

or equivalent will be issued before the start of the scheduling season then the Coordinator shall cancel the slots reserved on a provisional basis and make them available for reallocation.

If the 'paper airline' has obtained the relevant authorisations, finance or equipment the Coordinator will allocate the reserved slots to that air carrier.

4. Status

Agreed at EUACA/35 March 2005

5. Exceptions

In the following countries the Coordinator or Schedules Facilitator may act differently from the method described above: