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Dear Mr Cherry,

CAP 3202: Call for inputs – Review of the Traffic Distribution Rules 1991

The International Air Transport Association (IATA) is the trade association for the world's airlines, representing some 350 airlines over 80% of global air traffic. IATA's member airlines include both passenger and cargo operators and many that serve the UK market. IATA supports many areas of aviation activity and helps formulate industry policy on critical aviation issues to drive a safe, secure, and a sustainable industry.

IATA appreciates the opportunity to provide input to the CAA's review of the Traffic Distribution Rules 1991 (TDRs) as outlined in your letter dated 18 December 2025. A number of our members will be providing comments directly.

IATA welcomes this review and strongly supports aligning UK slot policy with the Worldwide Airport Slot Guidelines (WASG) to ensure that scarce airport capacity is allocated efficiently, transparently, and without discrimination. The 1991 TDRs, introduced in a very different market context, conflict with these principles and impose significant barriers to entry and expansion for air cargo at London's most congested airports. However, the TDR does not operate in isolation from other aviation policies and we would encourage CAA to consider how the timing of the necessary change may interact with other developments around future policy and capacity availability.¹ c.

Our attached response addresses the five areas identified in Annex 1 of your letter:

1. Impact of the 1991 TDRs on our business and stakeholders
2. Market conditions and substitutability
3. Scope and effects of the 1991 TDRs
4. Alternative mechanisms for efficient use of airport capacity
5. Wider slot reforms and policy suggestions

In summary of IATA's position:

1. The TDRs are outdated and inconsistent with global best practice.

¹ IATA members have a variety of views regarding the sequencing of any change and its interaction with other policy issues. We understand that they will submit more detailed comments in this regard.



2. We do not support any extension or additional constraints, which would further harm connectivity and efficiency.
3. There are no suitable alternative airports that can replicate the connectivity offered by Heathrow and Gatwick for long-haul air cargo.
4. We support revoking the TDRs to align with WASG principles and deliver fairness, efficiency, and support the UK's trade and economic ambitions.

Should you require further clarification or wish to discuss our views in detail, we would be pleased to arrange a meeting at your convenience.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Lara Maughan', is written in a cursive style.

Lara Maughan
Area Manager, UK and Ireland

IATA Response to CAP 3202: Call for inputs – Review of the Traffic Distribution Rules 1991

IATA Recommendation

IATA recommends revoking the 1991 TDRs to ensure Heathrow, Gatwick, and Stansted operate under WASG-consistent, operator-neutral rules. This should include equal eligibility for historic precedence for both cargo and passenger operations. Consideration should be given to the UK aviation environment and the specific uncertainties at these airports considering policy and government ambition.

Additionally, neutrality across operator types must be maintained, with parking and other capacity elements managed through independent coordination. Ad hoc local rules that disadvantage air cargo or other airline types should be avoided to ensure fairness and efficiency.

1. About your business and the impact of the 1991 TDRs

The International Air Transport Association (IATA) represents 360 airlines and 80% of global air traffic, including the majority of passenger and cargo carriers flying to London Gatwick (LGW) and London Heathrow (LHR) airports.

IATA contributes to the implementation of global airport slot policy to ensure scarce capacity is allocated efficiently, transparently, and without discrimination, in line with the Worldwide Airport Slot Guidelines (WASG). We advocate for the equal treatment of all operators—passenger and cargo—recognizing air cargo's critical role in global trade, moving goods worth USD 8 trillion annually and supporting just-in-time supply chains and emergency logistics.



The 1991 Traffic Distribution Rules (TDRs) conflict with WASG principles. By restricting whole-plane air cargo at LGW and LHR, the TDRs create structural disadvantages for air freight, undermining the WASG's commitment to fair and equal access.

Worldwide Airport Slot Guidelines

The WASG is published by IATA, Airports Council International (ACI), and the Worldwide Airport Coordinators Group (WWACG), to provide the global air transport community with a single set of standards for the management of airport slots at coordinated airports, like LGW and LHR. The WASG is overseen by the Worldwide Airport Slot Board (WASB), comprised of an equal number of airports, airlines, and slot coordinators. The composition of the WASB reflects the global nature of international air transport. Each member acts as an industry expert and as a representative of the WASB, while considering their region and business type.

A core part of IATA's advocacy is for scarce airport capacity to be allocated in accordance with the WASG: efficiently, transparently, and non-discriminatorily, across all airline types.

1991 Traffic Distribution Rules

The 1991 TDRs are concerning to IATA since they have the effect of blocking air cargo from earning historic rights at LGW and LHR. This is a direct conflict with the WASG, entrenching a structural disadvantage for air cargo, in comparison to passenger carriers, at the UK's most congested airports.

The TDRs were designed to ensure a fair distribution of air traffic between airports within an airport system, but the consideration of an airport system has led to an unfair distribution, poor schedule certainty, and inefficient air cargo connectivity.

Impacts of retaining, amending or revoking the 1991 TDRs:

- **Retention** of the TDRs would continue to deny or dilute historic precedence for cargo, forcing reliance on ad-hoc access (which is also eroding due to increasing congestion and policy changes by the slot coordinator in-effect switching off ad-hoc availability) and eroding schedule predictability. This suppresses investment, increases operating risk, and weakens the UK's attractiveness for cargo network development and intermodal (air-road) connectivity.
- **Amendment or revoking** to align with the WASG would restore equal treatment, improving reliability for time-critical cargo flows, supporting e-commerce and life-science logistics, and enabling rational, long-term planning by our members. Belly-hold connectivity would be strengthened through more reliable inbound/outbound waves, which would enable dedicated freighter schedules to be planned around shipper/forwarder cut-offs and trucking windows.
- **Revoking** the 1991 TDRs would encourage investment in UK cargo capacity and intermodal nodes, supporting export growth and resilience while maintaining healthy competition at constrained airports. This aligns with the UK's trade ambitions and supports balanced development across passenger and cargo segments.
- IATA acknowledges a concern that increased general and business aviation could impact the operational efficiency of airports. Increased separation minima when light/small aircraft follow medium/heavy aircraft can have significant operational impacts. Further, there is a risk that general and business aviation operating largely ad-hoc flights have smaller incentives to comply with slot regimes, as the threat of lost historic rights has no teeth. However, we believe that both of these concerns can be resolved through local rules and consultations with the coordination committee, and do not justify the retention of the discriminatory TDRs.
- The TDR does not operate in isolation from other aviation policies. The CAA should consider how the timing of the necessary change may interact with other developments around future policy and capacity availability.



IATA Recommendations

1. **Revoke the 1991 TDRs** so that Heathrow, Gatwick, and Stansted operate under WASG-consistent, operator-neutral rules, including equal eligibility for historic precedence for cargo and passenger operations.²
2. **Maintain neutrality across operator types** and ensure that parking and other capacity elements remain within independent coordination, avoiding ad hoc local rules that disadvantage air cargo or other airline types.

2. Market conditions and substitutability

When the TDRs were introduced, air cargo was a smaller, less time-sensitive segment, and e-commerce was virtually nonexistent. Today, air cargo is a cornerstone of global trade, accounting for 35% of trade by value, and is critical to just-in-time supply chains, pharmaceuticals, semiconductors, and e-commerce. Efficient connectivity is now essential for economic resilience.

Despite this growth, London's airport capacity has not kept pace with demand, creating severe congestion at Heathrow, Gatwick, and Stansted. This makes it increasingly difficult for cargo operators to secure slots, forcing reliance on road transfers between airports and undermining supply chain efficiency. In some cases, airlines must now consider airports outside London, e.g. East Midlands.

East Midlands (EMA) now handles significant freight volumes, but it is not a substitute for LGW or LHR. EMA lacks direct long-haul connectivity; this option would result in increased trucking distances and costs. The ability of air cargo to meet time-critical delivery windows to London would be reduced. For many shipments, proximity to London's economic hub is essential, making access to Heathrow and Gatwick irreplaceable for certain cargo flows.

The development of belly-hold vs whole-plane cargo since 1991 should also be considered. Belly-hold has developed along with high-frequency passenger routes, which is ideal for small shipments. Freighters, however, regularly handle oversized, high-value, or consolidated loads requiring dedicated schedules. Both are critical to the levels of supply chain resilience expected by consumers today. Airport access policy should not discriminate between these two business models, which is the result of today's TDRs.

The UK market has evolved dramatically since 1991. Cargo is now a strategic enabler of trade and consumer services, and the barriers created by TDRs are incompatible with modern demand. Revoking or amending the TDRs to align with WASG principles will remove discriminatory practices, improve connectivity efficiency and resilience, and support UK trade and economic growth.

3. Scope and effects of the 1991 TDRs

IATA does not support adding further airports to the TDR framework, as this would introduce additional constraints and exacerbate existing challenges for operators. There are no other airports in the UK with comparable connectivity to that in place at LHR and LGW for long-haul cargo; alternatives such as East Midlands cannot substitute due to limited intercontinental links and increased trucking distances.

The TDRs are a significant limiting factor for air cargo at Heathrow and Gatwick. While congestion is a challenge, the inability to access regular seasonal slot series—essential for predictable operations—creates

² As noted above, we acknowledge the more detailed comments of our members which we expect to be submitted regarding the sequencing of any change and its interaction with other policy issues.



structural disadvantages for these operators. Ad-hoc slots do not provide the reliability needed for time-critical delivery.

4. Alternative mechanisms for efficient use of airport capacity

The Worldwide Airport Slot Guidelines (WASG) provide a globally recognized framework for efficient, fair, and transparent use of scarce airport capacity. WASG principles—neutrality, transparency, and non-discrimination—are widely adopted and proven effective without resorting to restrictive local rules such as the 1991 TDRs.

Wider slot reforms and any other policy suggestions

Any wider slot reform should fully align with the Worldwide Airport Slot Guidelines (WASG) and remove local rules that discriminate by operator type.

The local rules embedded in the TDRs are a source of inefficiency and inequity. They prevent cargo operators from earning historic slots and force reliance on ad-hoc access, undermining long-term planning and investment. Aligning UK policy with the WASG eliminates these distortions and promotes fair competition and a more balanced delivery of all demand types.