



**Department for
Business, Energy
& Industrial Strategy**

Darren Jones MP
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Dear Darren,

Thank you for your letter of 31 July, regarding British Airways and its landing slots at airports across the UK. I appreciate that this area has generated particular interest given the impact of the pandemic and the business decisions that British Airways has taken.

The Department for Transport has been actively considering the need to reform the UK's slots policy once the Transition Period ends, to support fair and competitive growth of the industry in a way that ensures the best outcomes for the consumer. This has included a consultation and engagement on key areas such as 'historic rights' with UK, European and international stakeholders, given the global nature of the slot allocation rules. This work will now need to take account of the impacts that Covid-19 has had on the industry to ensure that the slot allocation process encourages competition between airlines and provides the connectivity that UK consumers need.

The Department for Transport is currently working on a recovery plan for the sector out to 2025. The plan will be broad in scope and will consider the role of the slot system in rebuilding a competitive aviation sector. It will build on work to date, including the advice of the Competition and Markets Authority (CMA) on the competition impacts of the slot allocation process. The Department for Transport will continue to engage with the CMA, as well as industry, as reform plans develop.

You ask about the use of powers in the Enterprise Act 2002 to launch a market investigation. As you note, this is a reserve power and therefore for use where I am not satisfied with the decision of the CMA not to make a reference. In general, the CMA operates independently of Ministers and is free to decide its own approach to case prioritisation. Further, as I have set out above, the Department for Transport and the CMA are already actively working together to address issues in the market.

Yours sincerely,

THE RT HON ALOK SHARMA MP
Secretary of State for Business, Energy & Industrial Strategy