

Guernsey's 2-REG marks a decade of operations

Guernsey's aircraft register, which celebrated its 10th anniversary last month, held 253 active aircraft as of 1 January. This total comprised 67 corporate jets, 16 corporate turboprops, 31 general aviation aircraft, 15 helicopters and 124 dormant commercial airliners. Marketed as '2-REG', operations were launched in Guernsey following the breakdown of protracted discussions with the government of the neighbouring island of Jersey for a joint Channel Islands registry. Jersey subsequently launched its own register, which failed to gain any traction and was closed at the end of 2022.

The register has been run on behalf of the Guernsey government under a strategic public-private partnership with SGI Group since inception. It began operations modestly permitting only local registration and the inclusion of aircraft for private or corporate rather than commercial use. It subsequently widened its scope to allow for commercial operation through the licensing of Air Operator Certificates (AOCs). While registration of corporate and private fixed wing aircraft and helicopters has continued to grow, 2-REG rapidly moved into a niche allowing the temporary registration of dormant commercial airliners between operational leases. These aircraft are often re-registered for a relatively short period of time before moving on.

Commenting on the success of 2-REG, SGI Group chief executive Paolo Lironi said: "As the strategic partner of the States of Guernsey, our vision for 2-REG is rooted in the seamless synergy between private enterprise and regulatory excellence. We recognise that in the dynamic realm of aviation, a robust public-private partnership is not just beneficial – it is imperative. By combining the agility of the private sector with the regulatory precision of our esteemed public counterparts, we are not only registering aircraft; we are propelling the industry forward, fostering trust, and setting a global standard for efficiency and safety."

NetJets faces labour issues

On 20 September, as we reported at the time, fractional specialist operator NetJets stunned the industry by placing an order for 1,500 Cessna Citation twinjets for delivery over the next 15 years. The Berkshire Hathaway subsidiary is however facing considerable unrest among its 3,100 pilots who are represented by the NetJets Association of Shared Aircraft Pilots (NJASAP). NJASAP has surveyed its members and claims that 40% "expect to leave the company within a year due to the breakdown in negotiations to secure a fair and competitive contract". It also claims that "two-thirds of pilots no longer view NetJets as a career destination". The key issue for NetJets' pilots is maintaining equality with commercial airlines, which have raised pilot pay significantly. NetJets said it was confident that it would meet its pilot hiring target in 2024. Pay negotiations continue.

Pre-owned inventory growing

Bizav data industry analyst Amstat has confirmed that the number of available pre-owned aircraft continues to rise from the low point after the Covid restrictions. The supply of inventory sank in the latter stages of the pandemic as demand for aircraft soared. The December 2023 data showed there were just over 2,400 bizjets and turboprops on the market – 32% more than in December 2022. The growth in inventory echoes the stabilisation of the market and a return to more realistic pre-owned demand. Currently, some 7% of the total global bizjet fleet is available for sale, while 4% of the turboprop fleet is on the market.

Bizav traffic ends the year softly

Data from specialist analyst Argus International suggests that bizav traffic ended 2023 on a soft note. According to the Argus Analytics Global Aircraft Activity Report, global traffic for December was 2.7% lower than 12 months earlier. By region, North American traffic fell by 3% YoY, while European movements were down by some 8.8%.

The data for December showed that traffic in North America suffered particularly from lower-than-expected traffic between Christmas and New Year. Travis Kuhn, Argus senior VP Software, said December's North American traffic "seemed to cap off a relatively quiet year for activity. We end 2023 with a very strong fractional market, a relatively stable Part 91 (private) market, and an overall decline in the Part 135 (charter) market." Looking into January 2024, Argus predicts a 0.5% fall in North America YOY.

In terms of European traffic levels, Argus predicts that January will see further decline. Following December's fall, traffic for this month is estimated to be down 7.1% compared to January 2023. The continued decline can be attributed in large part to continued economic uncertainties following Russia's invasion of Ukraine. The actual December traffic numbers and forecast for January have been depressed further by a substantial fall in turboprop activity in Europe, with December figures for the sector down by some 17.1% YoY.

AVIATION SERVICES HUB:

Aircraft registration

It may be a cliché, but there is no 'one-size-fits-all' aircraft registry. Several new registries have been launched over the last few years and more are in the pipeline. Many existing registries have also made changes to their offering by expanding the scope of acceptable aircraft operation and ownership. Each is seeking to attract owners and operators of corporate aircraft – a comparatively small but highly lucrative market – with what they consider to be a unique selling point.

The reasons for registering an aircraft outside the owner's home jurisdiction are many and various, and it should always be remembered that what might be an appropriate register for one client may not be suitable for another. All credible registries must be able to offer outstanding service, cost efficiency, flexibility in terms of acceptance of aircraft and crew standards, as well as providing security, confidentiality and political neutrality. Some may also offer potential tax savings and the benefits of asset protection and limitation of liability through corporate ownership.

Bizjet deliveries set to rise

According to a data forecast from investment research specialist Jefferies, bizjet delivery numbers are set to rise by 17% this year. Jefferies estimates that manufacturers will deliver 670 new aircraft in 2024, compared to 575 in 2023. The five major OEMs will benefit from the easing of pandemic supply chain difficulties and the launch of high profile new models. Chief among the new aircraft due for service entry are the Gulfstream G700 and the Dassault Falcon 6X. Certification of the G700, which had been expected by the end of Q4 2023, has now been pushed back to Q1 2024, which means a catch-up backlog of deliveries.

Belgian climate protests lead to mass arrests

Police in Belgium successfully foiled attempts by climate protesters to significantly access airside areas of three regional airports during a so-called "mass action against aviation" on 16 and 17 December. Members of activist group Code Red had been expected to target Brussels National Airport but shifted their protests to Antwerp, Kortrijk and Liege airports – facilities that handle large numbers of bizav flights or where overall activity is increasing. Although a small number of protesters managed to access the ramp in Antwerp, they were quickly arrested and no aircraft were damaged.

Luxaviation aims to achieve net-zero by 2030

Major specialist charter operator Luxaviation has confirmed that it is aiming to achieve net-zero carbon emissions by 2030. This commitment represents an acceleration of the operator's efforts to cut carbon emissions for both its flights and operational support services. Luxaviation plans to achieve this deadline through the launch of a 'Go-to-Zero' investment fund, which will support the advance of new technologies and the use of sustainable aviation fuels.

The launch of the fund introduces efforts that take it beyond carbon offsetting, which it describes as "an imperfect solution." Luxaviation has committed to invest €50 million over the next seven years. The launch of the fund is seen in the context of the company "adopting a holistic and aggressive approach to sustainability". The company is also actively encouraging other operators to follow its lead and has invited them to invest in the fund.

Corporate aircraft news

Savannah-based OEM Gulfstream Aerospace missed its target of achieving FAA certification for its new G700 flagship by the end of December 2023. It is understood that the FAA is continuing with final checks before giving design approval. The delay to certification will also delay initial customer deliveries. According to sources close to the OEM, Gulfstream has at least 24 fully fitted aircraft ready for delivery. As a result, the company will have to revise down the number of expected deliveries in Q4, which it had anticipated would include 19 G700s.

French manufacturer Daher recently marked a milestone with the delivery of the 100th example of its TBM 960 turboprop single. The TBM 960 was launched in April 2022 to replace the popular TBM 940 and features a more efficient P&WC PT6E-66XT engine, a five-bladed composite propeller and a digital e-throttle. On accepting the 100th aircraft, president of US Titan Real Estate Investment Group Kevin Kaseff said: "The TBM 960 offers the efficiency I was looking for in terms of speed, range and airport access. And its turboprop engine generates less carbon emissions than a jet."

There has been a further twist in the long-running search for a buyer for Italian OEM Piaggio Aerospace. The extraordinary commissioners handling the company's bankruptcy proceedings have set a new deadline of 30 January 2024 for the submission of final and binding offers to purchase the OEM. A previous attempt to sell the company failed in 2022 and the bidding process was reopened in May 2023 with final bids expected to be submitted by the close of the due diligence period at the end of August. Piaggio is best known for the production of its distinctive P.180 Avanti twin turboprop.



AIRCRAFT FACT FILE \\\

Boeing 717



CATEGORY

Heavy jet

MANUFACTURER

Boeing, USA

ENGINE

2 x Rolls-Royce BR715-A1-30 turbofan

LENGTH

38.00 m

WINGSPAN

28.45 m

RANGE

3,815 km

MAX. SPEED

811kmh

SEATING CAPACITY

117 in airline service

NO. OF CREW

2

MAXIMUM TAKE-OFF WEIGHT (MTOW)

55,000 kg

DESCRIPTION

A total of 156 examples of the Boeing 717 twinjet airliner were produced between 1998 and 2006. The 717 was originally developed by the venerable OEM McDonnell Douglas to fill the need for an airliner with around 100 seats and to act as a replacement for aging designs such as the Fokker 100 and the manufacturer's own DC9-30, which had first entered service in 1967.

The 717 was originally launched as the McDonnell Douglas MD-95 in anticipation that the aircraft would enter service in 1995. Following the manufacturer's merger with Boeing in 1997, the aircraft was rebranded as the 717 in line with Boeing's established family. The prototype 717 made its first flight on 2 September 1998 and the first example entered commercial service just over a year later with US carrier AirTran Airways. The 717 design is a clear development of the larger MD-80 family whilst matching almost exactly the wingspan, length, weights and fuel capacity of the Douglas DC9-30.