



# Airborne

The monthly newsletter of RegisterAnAircraft.com – the Aviation Division of The Sovereign Group

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## HondaJet moves one step closer to full certification

The HA-420 HondaJet made its world debut nearly ten years ago at EAA AirVenture at Oshkosh in July 2005. This followed the Japanese manufacturer's decision to proceed with commercial development of the design in 2004. In a landmark announcement on 27 March this year, it was confirmed that the HondaJet had received provisional certification from the US Federal Aviation Administration. It is expected that full certification will follow in the next few months following the completion of the flight test programme and FAA approval. Provisional certification will allow the company to proceed with production of the initial customer aircraft. The project has been subject to protracted delays due in large part to the totally new in-house powerplant.

Honda Aircraft's CEO Michimasa Fujino confirmed that we have "... completed nearly all of the testing and reports required by the FAA, and we are very close to achieving final type certification for the world's most advanced light jet. Provisional type certification for the HondaJet is a tremendous milestone for the programme, and we are pleased to reach this significant step toward customer deliveries and entry into service."

The twin-jet HondaJet features a distinctive over-wing engine mounting designed to maximise cabin space. It is powered by GE Honda HF120 turboprops which have recently received full FAA certification. The aircraft features a Garmin 3000 glass cockpit and will accommodate up to six passengers over a range of 2,185km. Honda claims that the combination of lightweight materials, aerodynamics and efficient engines gives the HondaJet up to 20% better fuel efficiency than similar aircraft.

## Changes to UK APD impact corporate aviation

In the budget statement in March 2014, the UK government announced that the Air Passenger Duty (APD) rules and rates would be simplified and apply from 1 April 2015. The existing system set down four tariff bands based on the distance travelled. These four have been reduced to just two from April. APD was first introduced in 1994 and the levy has since been subject to substantial increases and wholesale restructuring. APD was first extended to passengers travelling on corporate jets from April 2013.

Under the new arrangements, the duty for passengers travelling on corporate aircraft – weight above 5,700kg and fewer than 19 seats – for journeys of under 2,000 miles will increase from £54 to £78. For trips above this distance, the APD rises to £426 from £278. One significant result of these increased charges is that some operators will now be required to register for APD. Registration is required where annual APD exceeds £5000. Under UK tax authority (HMRC) rules such registration requires an operator to employ a UK agent to act on their behalf and handle administration of the payment of due APD and registration.

## RANA SERVICE CENTRE:

Aircraft registration

## European flight activity February and March - mixed messages

Last month we featured results of a report from Hamburg-based intelligence specialists WINGX Advance which showed a sharp reduction in overall European flight activity in January. The results for both February and March have now been produced and provide some interesting if mixed headlines. In February there were 51,075 corporate aviation flights – a drop of 4.4% over February 2014 and the lowest level of activity since 2010. March's numbers – at 63,917 were slightly more encouraging at just 0.6% down on 2014.

The principal reason for this substantial reduction YOY is the continuing conflict in Ukraine and economic and political sanctions imposed on Russia as a result. Flight activity in Russia and Ukraine in February was reduced by 1,400 flights. Indeed overall flights between Europe and the CIS in the Q1 2015 were down by 35%. Perhaps as a result of these challenges in the East, overall activity in Germany, Switzerland and Italy was also substantially down.

There are however pockets of growth. In February, activity in the UK was up by 3.9%, with charter flights up by 9%. This trend continued in March with such flights up by some 15%. Similar increases were reported in Spain, France, Austria and the Czech Republic. The increase in France was largely due to turboprop activity whereas in Spain and the UK jet traffic was responsible for the bulk of the growth.

There is no "one size fits all" aircraft registry. The last few years has seen the launch of new registries or changes to existing registries designed to attract owners and operators of corporate aircraft. What may be considered an appropriate registration jurisdiction appropriate for one client may not work for another. Each of the competing new and existing registries has to have a unique selling point. The reasons for registering an aircraft away from the owner's home base jurisdiction can be many and complex. To attract this comparatively small but lucrative market, registries must be able to offer outstanding service, be cost-effective, give flexibility in terms of acceptance of aircraft and crew standards, and provide confidentiality and political neutrality, not to mention potential tax savings and asset protection and limitation of liability through corporate ownership. The choice of registry must also consider the intended operation of the aircraft – certain registries will not permit aircraft under their flag to be used for 'hire and reward' – i.e. for commercial use – usually through public charter. It is also vital to consider the proposed geographical base of the aircraft, its intended sphere of operation and the acceptability of crew and maintenance standards. RANA has built up excellent relationships with both established and new registries and can provide expert advice on their offerings and suitability in each case.



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## Embraer performance & predictions

The most delivered corporate jet model in 2014 was the Embraer Phenom 300. The Brazilian manufacturer handed over a total of 73 aircraft – a large slice of 92 light jets that it produced during the year. Over 250 Phenom 300 are in service worldwide and the design accounts for some 57% of the light jet market. The aircraft has also accumulated close to 200,000 flight hours since service introduction. In a further significant landmark for the programme, on 2 April the manufacturer delivered the 100th Phenom assembled at its plant in Melbourne, Florida. The aircraft has been placed on the Portuguese register and will operate in Europe as part of the NetJets fleet.

In another positive note the company expects a 50% increase in deliveries of large corporate jets in 2015. With the introduction of the new Legacy 500 and 450 it expects to hand over up to 40 aircraft compared to 24 in 2014. The company further estimates that corporate jet revenues will be up to \$1.85 billion – up from \$1.591 billion last year.

## San Marino & Nigeria sign 83bis

As we have previously reported in Airborne, corporate operators based in Nigeria face challenges with regard to jurisdiction of registration to satisfy financial institution restrictions. A lack of local rules governing corporate aircraft operation has made such operations very difficult. In a potentially significant move, the Civil Aviation Authority of San Marino (SM-CAA) has signed an 83 bis agreement with the Nigerian Civil Aviation Authority. This agreement allows commercial operation of aircraft on Nigerian Air Operator Certificates (AOCs) to be placed on the San Marino registry, an authority fully regulated by EASA. The agreement allows two states to share oversight – with the registering authority and regulators in the third party state.

## Corporate Aircraft News

In what the manufacturer views as a significant landmark for the project, Gulfstream confirmed that its super-midsize G280 received certification from Brazilian authorities in the last week of March. This paves the way for the start of deliveries to Brazilian operators. Gulfstream has made it clear that it sees Brazil as a market with large potential for the model more than 50 of which are currently in service.

The new US fractional operator PlaneSense has placed an order for up to five Nextant 400XTis. The aircraft, a re-manufacture and re-work of pre-owned Hawker 400 airframes will be the first jet aircraft to enter service with the operator which currently operates a fleet of Pilatus PC-12 turboprops. The operator also expects to receive early examples of the new PC-24 light jet from mid-2017.

Completion specialist Jet Aviation based in Basel (BSL) has won a contract with Boeing Business Jets to provide and complete interiors of two BBJ777-300 aircraft due for delivery to an undisclosed Asian buyer. The aircraft are set for completion by the end of Q3 2018. Jet Aviation has undertaken similar work on a total of 25 BBJs of various marques since 1999.

Rapidly expanding charter operator VistaJet marked a major milestone at the end of March as it retired its last Bombardier Learjet. The company's fleet is now comprised of Bombardier Challenger and Global aircraft. The company operated a total of 20 Learjets since 2004. VistaJet produced some striking statistics for its Learjet fleet: 18,262 flights, 42,962 hours and 28,685 passengers.



## AIRCRAFT FACT FILE \\\

### Douglas DC8-72



#### CATEGORY

Heavy Jet

#### MANUFACTURER

Douglas Aircraft, USA

#### ENGINE

4x CFM CFM CFM56-2-C5 turbofans

#### LENGTH

47.98 m

#### WINGSPAN

45.24 m

#### RANGE

8,945 km

#### MAX. SPEED

887 kmh

#### SEATING CAP.

Up to 189

#### NO. OF CREW

3

#### MAXIMUM TAKE-OFF WEIGHT (MTOW)

161,025 kg

#### DESCRIPTION

The Douglas DC8 was one of the most popular early commercial jet airliners and was produced in large numbers and over several versions between 1958 and 1972. As with the competing Boeing 707 a number of former commercially operated air frames found new life as corporate/VVIP transports.

The -70 series was a programme in place between 1982 and 1988 to convert series -60 aircraft with more fuel-efficient powerplant. The original JT3D engines were replaced with more fuel-efficient CFM56-2 high-bypass turbofans. The conversion also included new air intakes and engine pylons. The DC8-72, based on the long-range -62 was the most popular with corporate and government customers. A total of 110 -60 aircraft were converted and a dwindling and very small number remain currently airworthy.