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Brexit deal agreed on paper but issues remain

The long-awaited 1,263-page draft of the Trade & Cooperation Agreement, setting out the future relationship between the European Union and the UK, was published on 26 December having been agreed in principle just two days earlier and with less than a week to go before the end of the Brexit transition period on 31 December.

The section of the document dealing with air transport makes no specific reference to business aviation at all but the agreement does state that its aim is to ensure continued air connectivity for commercial operators including a level playing field for competition, high levels of safety and passenger rights. It calls for bilateral and reciprocal agreements between EU member states and the UK to allow unlimited carriage of passengers and cargo between points in the EU and the UK (the Third and Fourth Freedoms of the Air) for a transition period of two years.

Since these new arrangements came into force on 1 January, however, commercial operators have cited issues of certain EU member states not offering reciprocal traffic rights and insisting on individual permits for each flight, along with high fees and extended waiting times. Industry lobby groups, including the British Business & General Aviation Association (BBGA), have called on the UK government to prioritise securing bilateral agreements with individual member states.

As a result of the UK decision to leave the EU, the UK is no longer a participant in the European Union Aviation Safety Agency (EASA) but the draft agreement does allow for type certificates to remain valid and for the recognition of future design and environmental certificates to ease their use in the EU and UK. The fact remains however that the UK Civil Aviation Authority (CAA) will now take a separate role in oversight.

Signature Aviation set for new owner

Signature Aviation, the operator of the world's largest network of FBOs, has been sold to fund manager Global Infrastructure Partners (GIP) in a cash deal worth some \$4.63 billion. The sale marks a victory for GIP in a bidding war against a joint offer from private equity giant Blackstone and Bill Gates' Cascade Investment Fund which already held 19% of Signature's shares. GIP, which holds a stake in London's Gatwick airport, offered USD5.50 per share. Signature's value has risen as interest in private aircraft travel has increased during the Covid pandemic.

New alliance formed to combat illegal charters

A global group of leading business aviation organisations has launched a new coalition, the Air Charter Safety Alliance (ACSA), in a coordinated effort to combat illegal on-demand charter flights in the sector.

Illegal charters involve the use of unauthorised aircraft for the carriage of passengers for hire and reward and the new group aims to raise awareness of the problem among potential clients, charter brokers and national governments. Over the next three months ACSA seeks to establish common best practice and seek to educate stakeholders in the dangers inherent in illegal operations through an online platform.

A less chilly December for global bizav traffic

December delivered its traditional upswing in business aviation traffic around the Christmas and New Year holiday period, according to the latest data produced by data analyst WingX Advance, with charter traffic in North America contributing particularly strongly this year.

The increase in traffic in the second half of December was particularly apparent as Caribbean and Central American destinations recorded double-digit growth even over the same period in 2019. The number of flights from the US to Mexico rose by 17%, to Costa Rica by 32% and to the Turks & Caicos Islands by 41%. Domestically too, flights to Florida and Arizona increased YOY by some 12% and 10% respectively.

Traffic was not so buoyant on the other side of the Atlantic. The total number of bizav flights in Europe in December was down overall by 13% on December 2019. This was due in large part to the reimposition of national lockdowns and wholesale restrictions on the annual ski season, which usually accounts for a considerable amount of seasonal traffic. Although traffic from some areas, including Russia and Turkey saw some increase, the plunging figures for major markets are stark: departures from France and Germany fell by nearly 20%, Italy by 25% and the UK by over 30%.

AVIATION SERVICES HUB: Aviation finance

The new and used corporate aircraft market continues to function in the face of the Covid pandemic and buyers continue to seek finance for these transactions, with growing demand in some sectors and geographical areas. RANA has built up relationships with a number of banks, finance houses, leasing companies and groups of individual investors that have demonstrated an appetite for investment in the corporate aviation sector.

Lenders will look at a number of different factors and each has its own criteria for acceptance, in addition to loan to value ratios and the length of term of any potential deal. These criteria may include: the maximum age of the aircraft; whether it is new or pre-owned; the book value of the aircraft; the jurisdiction of the aircraft's registration; the proposed operational plan for the aircraft or the type and nationality of the client. Any such financing is of course viewed on a strictly case-by-case basis with tailored terms and conditions.

Biggin Hill Airport continues expansion

London Biggin Hill Airport is continuing with expansion plans despite the extensive disruptions caused by the Covid-19 pandemic and travel restrictions. While overall business aviation traffic has been down across the UK, the privately-owned airport said it has maintained and even expanded market share by offering flexibility for operators through services, such as its new on-site Covid test facility for passengers and aircrew. The expansion includes the construction of a four-star hotel, as well as a new terminal building and an air traffic control tower. Bombardier is also due to open its new 23,225m² service centre in Q1 of 2022.

Wheels Up scales a mountain...

Wheels Up, the US membership plan specialist, continues its acquisition spree with the purchase of Denver-based charter and MRO operator Mountain Aviation, the tenth largest private jet charter operator in the US ranked by flight hours. It follows deals over the last 18 months for Part 135 operator Gama Aviation Signature, Delta Private Jets and TMC Jets.

The Mountain Aviation acquisition brings Wheels Up a further 30 Citation X twinjets, which will join the existing Wheels Up fleet of ten aircraft, along with heavy maintenance facilities for its Citation and King air fleets. It will also add two bases in California along with others in Anchorage, Alaska and Teterboro, New Jersey.

Corporate aircraft news

The Pilatus PC-24 is marketed as the first 'Super Versatile Jet' with a proven ability to operate efficiently under challenging conditions, often in remote parts of the world. The twinjet aircraft entered service in February 2018 and the Swiss manufacturer has now confirmed delivery of the 100th example. The aircraft in question was handed over at the turn of the year to Luxembourg-based fractional specialist JetFly Aviation, which already operates Europe's largest fleet of Pilatus aircraft (both PC-12 and PC-24).

In a further enhancement to the single turbo Pilatus PC-12, a new seven-bladed propeller – the 'Silent 7' – has recently received certification. The MTV-47 propeller is offered by serial upgrader Super Legacy, as part of its PC-12 SLXP. The firm is marketing the upgrade as "a value driven alternative to the purchase of a factory new aircraft".

US manufacturer Gulfstream announced that the first example of its G600 new generation twin was handed over to a European customer on 16 December following certification by European regulator EASA in May last year. The aircraft is registered in Austria as OE-IPL (s/n 73038). The G600 received FAA certification in June 2019 and has subsequently also been approved by regulators in the Isle of Man, San Marino, Bermuda, the Cayman Islands and Mexico. A total of 63 aircraft have been registered.

Brazilian manufacturer Embraer has confirmed that it has completed the first European conversion of a Legacy 450 twin to Praetor 500 standard. The upgrade was carried out at its facility at Le Bourget in Paris. The conversion includes the installation of winglets, avionics upgrades, a new head-up display (HUD) and reinforcing the wing ribs. A total of 11 aircraft have received the upgrade worldwide.

Aerion Supersonic, the US company developing the AS2 supersonic business jet, has received commitments for the aircraft from China under a marketing and sales agreement with Avion Pacific, described as "the first comprehensive general aviation solution provider in China". Although the number of aircraft has not been mentioned, the value of orders for the AS2 now stands at more than \$6.5 billion. Manufacture of the 12-seat aircraft is expected to begin in 2023, with the first flight scheduled for 2025 and service entry two years later.

Florida Governor Ron DeSantis has given Aerion Supersonic permission to construct a new corporate headquarters and integrated research facility to design, build and maintain the AS2. Aerion Park will be located at Melbourne Airport and is expected to generate some 675 new jobs for the state's 'Space Coast'. Aerion expects to break ground on the new facility later this year.



AIRCRAFT FACT FILE \\\

Fokker F27-100 Friendship



CATEGORY

Regional airliner

MANUFACTURER

Fokker, Netherlands

ENGINE

2 x Rolls-Royce Dart Mk.514-7 turboprops

LENGTH

23.56 m

WINGSPAN

29.00 m

RANGE

1,715 km

MAX. SPEED

486 kmh

SEATING CAPACITY

40 in airline service

NO. OF CREW

2

MAXIMUM TAKE-OFF WEIGHT (MTOW)

18,350 kg

DESCRIPTION

When production of the F27 Friendship ceased in 1986, a total of 583 aircraft had been built by the Dutch manufacturer Fokker. In the 1950s, Fokker joined a host of aircraft manufacturers looking to produce a successor to earlier generation piston-engined airliners – most notably the iconic Douglas DC-3. The prototype F27-100 made its first flight on 23 March 1958 and the initial production examples entered commercial service with Irish carrier Aer Lingus in November of that year.

During its production cycle, the original design received a number of modifications and the aircraft was developed through various versions including those for maritime reconnaissance and those designed to carry troops. Other versions featured stretches to the fuselage and the use of higher powered and more fuel efficient engines. Under a licensing agreement between Fokker and US manufacturer Fairchild-Hiller, a total of 203 examples (including a stretched model FH-227) were built in America.