

## AIRBORNE

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## Part-NCC draws ever closer

The new EASA European regulations, which come into force on 25 August this year, will have a huge impact on the corporate aviation market. The Part-NCC (Non-Commercial Complex) rule will place obligations on all non-commercial operators of "complex motor-powered" aircraft – fixed wing aircraft with an MTOW in excess of 5,700kg or rotorcraft weighing above 3,175kg.

The regulations will apply where aircraft are either registered in an EASA state – all 28 EU member states, as well as Iceland, Norway, Switzerland and Liechtenstein – or where the operator is established or resides in an EASA state, even if the aircraft is registered elsewhere. It will also affect "third country" operators from the rest of the world who operate aircraft into Europe.

Part-NCC is designed to oblige non-commercial operators – those without an Air Operator Certificate (AOC) – to demonstrate that they have systems in place to implement and monitor regulatory safety and operational standards. In the UK, for example, operators must submit a declaration to the Civil Aviation Authority (CAA) about their operation, which includes details of aircraft, operational and continuing airworthiness schedules. The operator will also need to have an operator's manual in place along with a safety management system (SMS). These systems will be subject to audit and regular inspection. Failure to comply with the regulations will be a criminal offence and could lead to withdrawal of insurance cover and grounding of the aircraft. For more information – [www.caa.co.uk/NCC](http://www.caa.co.uk/NCC)

## European flying - 2016 starts with a whimper

In terms of corporate aviation flying, 2016 opened very much as 2015 had finished – in the doldrums. According to the Business Aviation Monitor produced by Hamburg-based WINGX Advance, there were 47,628 European corporate aviation departures in January – a fall of 2,220 (4.5%) over the same period last year. Corporate jet and turboprop flights fell by 5%, while piston activity was down a more modest 1.5%.

The overall figures reflect continuing slumps in Western Europe – flights in Germany fell by 3%, France by 8%, and both Italy and Spain by 10%. Flights from Europe to Africa declined by some 27%, to Russia and the CIS by 14% and to the Middle East by 5%. One of the few positive markets was that to North America, where flight activity increased by 8%.

## VistaJet traffic soars

VistaJet, the specialist high-end charter operator, posted a record year in 2015. The company, headquartered in Malta, reported a 23% increase in passenger numbers and a 21% rise in global flight traffic. VistaJet's traffic to the US increased by 135%, with passenger numbers up 106%, while traffic within the US increased by 165% year-on-year. Traffic to Asia increased by 62%, with passenger numbers up 57%. Traffic to the Middle East increased by 58%, with passenger numbers also up 58%. European results were comparatively lower with traffic up by 13% and passenger numbers by 17%, reflecting the depressed state of the continental market. VistaJet recently added its 50th aircraft registered in Malta. The company boasts an all Bombardier fleet of Challenger 350, 604 and 850 models, along with substantial numbers of Global Express – XRS, 5000 and 6000.

## Bombardier woes continue

Canadian manufacturer Bombardier continues to report disappointing performance. According to its fourth quarter conference call, the firm delivered 199 corporate jets in 2015 – down slightly from 204 in the previous year. However gross sales fell significantly – to 119 from 181 in 2014. Total revenues for Bombardier Business Aircraft were \$6.996 billion – down from \$7.2 billion in 2014 – and it announced that the division would be shedding some 500 employees over the next two years. Overall, the company posted a net loss of \$1.59 billion in the fourth quarter ended 31 December, due largely to a \$1.4 billion charge from cancellation of the Learjet 85 programme.

## New CO2 emission standard agreed

The International Civil Aviation Organisation (ICAO) made significant headway on its proposed global aircraft CO2 emissions standard. The new environmental measure was unanimously recommended by the 170 international experts on ICAO's Committee on Aviation Environmental Protection (CAEP) in Montreal on 8 February, paving the way for its ultimate adoption by the UN agency's 36-State Governing Council. The new standard will apply to new aircraft designs from 2020, and also to new deliveries of current in-production aircraft types from 2023. The agreement also places a recommended cut-off date of 2028 for production of non-compliant aircraft. The new limits apply to turbine aircraft with an MTOW in excess of 5,700kg or turboprops above 8,700kg.

## RANA SERVICE CENTRE:

Aviation finance

The market for new and pre-owned aircraft continues to function despite the challenging economic climate, with growing demand in some sectors and geographical areas. RANA has built up relationships with a number of banks, finance houses, leasing companies and individual investor groups that have demonstrated an appetite for investment in the aviation sector. Lenders will of course look at a number of different factors in assessing risk. In addition to the loan-to-value ratio and length of term for any potential venture, each has its own criteria for investment. These may include: the maximum age of the aircraft; whether it is new or prior-owner; the book value of the aircraft; the jurisdiction of the aircraft's current or proposed registration; and the type and nationality of the client. The sourcing of finance is of course viewed on a strictly case-by-case basis with tailored terms and conditions.

## The most delivered corporate jet in 2015

The Embraer Phenom 300 was the most delivered corporate jet for the third year in a row. A total of 70 Phenom 300s were delivered in 2015 – bringing the total number of aircraft in service to 320 in 28 countries. The fleet has accumulated close to 300,000 flight hours. The light jet can carry up to nine passengers over a maximum range of 3,650km. Overall, the Brazilian manufacturer delivered some 120 corporate aircraft last year covering the Legacy, Lineage and Phenom families. Marco Tulio Pellegrini, President and CEO of Embraer Executive Jets, said: “We would like to thank our customers for their confidence and continuing relationship, which has enabled the Phenom 300 to enjoy successful acceptance worldwide since its launch.”

## 2015 aircraft deliveries slide

The General Aviation Manufacturers Association (GAMA) released the 2015 worldwide year-end aircraft shipment and billing numbers at its annual “State of the Industry” press conference on 10 February. The headline figures make for depressing reading with total aircraft shipments down 4.6% to 2,267 units and billings down 4% to \$20.9 billion from 2014. Deliveries of piston aircraft were down 6.5% and turboprops by 7.6%. Rotorcraft were also down 4.4%.

The only bright note was a 1.6% increase in corporate jet deliveries, boosted by several new or recent models coming on stream. The Embraer Legacy 450, the HondaJet and Citation Latitude all saw initial customer deliveries towards the end of the year. Other models, including the Legacy 500 and CitationJet CJ3+ and CJ4 all reported increased numbers of aircraft entering service. The final comparative figures are adjusted to set aside Bombardier totals for 2014 because its 2015 results were not yet available.

## Corporate aircraft news

Following the granting of FAA approval in June 2015, Cessna has now received full type certification from European regulator EASA for the mid-size Citation Latitude. At the same time the aircraft has received certification to operate to/from La Mole airport located close to St Tropez in the south of France.

The first “head of state” configured Boeing 787-8 has been redelivered by Associated Air Center (AAC) to the Mexican government after a lengthy period of cabin outfitting. The aircraft can accommodate up to 82 passengers in three separate cabin zones. The aircraft will replace an early-build Boeing 757-200, which has been in service for a number of years in the VVIP role.

In an industry update at the Singapore Airshow, Savannah-based Gulfstream confirmed that its G500 and G600 models remain on schedule for certification in 2017 and 2018 respectively. The company noted that sales had benefited from delays to both the Bombardier Global 7000 & 8000 and Dassault Falcon 5X projects. The fourth test G500 made its first flight on 20 February and will now join the intensive test programme which has accumulated some 580 flight hours.

French manufacturer Daher also used the Singapore Airshow to unveil the new features of its 2016 TBM 900. The fast single turboprop offers a number of enhancements through the latest version of the Garmin G1000 V15 avionics suite. These include improved flight envelope monitoring, new aural warning alerts and improvements to the ease of flight planning through a two-way wireless link between the glass cockpit and Garmin Pilot application.

Beleaguered Canadian manufacturer Bombardier marked a significant programme milestone when it delivered the 75th Learjet 75 to US fractional specialist Aurora Jet Partners on 24 February. The Learjet 75 received FAA certification in November 2013. In another major landmark, the company confirmed that the Challenger 650 had received full type certification from EASA on 8 March. This follows FAA approval granted in November 2015.



## AIRCRAFT FACT FILE \\\

### Bombardier Challenger 350



#### CATEGORY

Super mid-size jet

#### MANUFACTURER

Bombardier, Canada

#### ENGINE

2 Honeywell HTF7350 turbofans

#### LENGTH

20.90 m

#### WINGSPAN

21.00 m

#### RANGE

5,926 km

#### MAX. SPEED

870 kmh

#### SEATING CAPACITY

9

#### NO. OF CREW

2

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

18,416 kg

#### DESCRIPTION

The Challenger 350, an upgraded version of Bombardier’s popular Challenger 300, was first announced in May 2013 at EBACE in Geneva. The new variant’s launch partner was fractional ownership specialist NetJets. In 2012 the company ordered 75 350s with options for a further 175 examples.

The 350 boasts more powerful Honeywell engines and increased aerodynamic efficiency with new winglets. The aircraft also offers a totally new interior with noticeably larger windows providing a much lighter cabin. Finally, the 350 features the upgraded Rockwell Collins Pro Line 21 avionics suite.

The Challenger 350 received Transport Canada type certification on 20 June 2014, with the FAA approval being granted just five days later. EASA approval was granted on 2 September. In addition to NetJets, another notable customer is charter specialist VistaJet, which now has a total of 12 examples on the growing Maltese register.