

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

Jersey Aircraft Register moves ahead

The Jersey government announced at the beginning of May that the “bundle” of enabling legislation for the proposed new Jersey Aircraft Register had been lodged with the States Assembly, the island’s parliament, and was scheduled for debate in June. If approved and passed for Royal Assent via the UK Privy Council, it is expected that the registry will be open for business by the end of September 2014.

In preparation for startup, the Jersey Aircraft Registry (JAR) has now launched its website – www.jar.je – and in a significant and much anticipated announcement it has been confirmed that Jersey will use the ICAO registration prefix “ZJ-”, followed by three letters.

The development of Jersey’s register follows protracted and much-publicised negotiations with neighbouring Guernsey to launch a joint Channel Islands register. With the failure of these discussions last September, Guernsey pressed ahead with the launch of “2-REG” The Channel Islands Aircraft Register (CIAR) in early December 2013. At the same time, Jersey announced its intention to proceed with a competing register again targeting privately operated corporate aircraft and dormant airliners between leases. Jersey has hired Brian Johnson, Operations Director of Appleby Aviation and currently Acting Director of Civil Aviation in the Isle of Man, to act as a consultant on its registry project.

UK APD increase

In the Budget statement in March 2014, the UK government announced that the Air Passenger Duty (APD) regime, which currently comprises four tariff bands based on the distance travelled, is to be reduced to just two from April 2015. APD was first introduced in 1994 and the levy has since been subject to substantial increases and fundamental 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 is to rise from £276 to £426.

Middle East heads charter demand

Private Jet Charter (PJC), the UK-based private aircraft charter operator, has published a study that demonstrates that charter demand in the Middle East is much stronger than in Europe. It found that clients in the UAE fly on average between 100 and 150 hours per year, with this figure rising close to 200 annual hours for passengers based in Saudi Arabia. This compares to a figure of 50 to 100 hours for comparable clients in the UK and Europe. The reasons for this surge in demand, particularly in Saudi Arabia, are attributed to the lack of available domestic connections using commercial services and the convenience of using a private aircraft.

At the same time, another recent report from data analyst WINGX confirms that Saudi Arabia has the largest fleet of based corporate jets in the Middle East. A total of 73 aircraft are registered in the Kingdom with others flagged in offshore jurisdictions.

RANA SERVICE CENTRE:

Aviation Finance

RANA has built up relationships with a number of banks, finance houses, leasing companies and groups of individuals who have demonstrated an appetite for investment in the aviation sector. In a very challenging economic climate, 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 their own criteria for investment. Such criteria 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.



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ABACE 2014

This year's Asian Business Aviation Convention & Exhibition (ABACE) was held at the Shanghai Hawker Pacific Business Aviation Service Centre at the city's Hongqiao Airport from 14 to 17 April. ABACE 2014 featured 187 exhibitors, 38 aircraft on static display and close to 8,000 visitors – all representing increases over last year's event.

The Chinese market for corporate jets, which is dominated by large cabin, long-range aircraft, continues to grow at a rate unmatched in other markets around the world, although analysts note that this rate is slowing. A reported increase of 21% in the number of corporate jets in the last year was tempered by continuing airspace restrictions, a lack of corporate aviation infrastructure, bureaucracy and import taxes.

The headline at ABACE 2014 was an order for 60 Gulfstream aircraft from China's Minsheng Financial Leasing (MSFL). The 40 firm orders and 20 options, worth an estimated \$3 billion, cover a spectrum of models from the G280 to the G550 and G650.

Corporate Aircraft News

Daher-Socata's new TBM 900, the successor to the TBM 850, made its public debut at the 2014 Sun'n'Fun Fly-In at Lakeland, Florida, following its unveiling on 12 March.

In a month for production landmarks, **Gulfstream** delivered the 300th G450. The twin first entered service in May 2005. **Embraer** also marked the delivery of the 300th Phenom 100 after just five years of service. The latest example was delivered to a Brazilian customer. **Piper Aircraft** celebrated the delivery of the 550th twin turboprop PA-46 Meridian. The aircraft was handed over to a Swedish owner.

On 2 April **Boeing** announced its first order for the BBJ Max 8. The business jet version of the new 737 Max 8 will offer new engines, redesigned "scimitar" winglets and will offer 14% better fuel efficiency than current versions. The first BBJ Max 8 is expected to be delivered for interior completion in 2018.

The **Bombardier** Learjet 85 finally took to the skies for the first time on 9 April. The 2.25-hour flight from Wichita Mid-Continent Airport marks the beginning of the latest version's flight test programme. The manufacturer has yet to confirm a timetable for expected FAA certification, which had originally been scheduled for the middle of 2014.

At ABACE 2014, **Airbus** unveiled a new version of its ACJ319 aimed at simplifying interior choice. The ACJ319 Elegance features a modular cabin which allows buyers to choose "off the shelf" configurations including office, lounge and conference settings. The Elegance will be offered alongside the standard fully customisable version.

AIRCRAFT FACT FILE:

Gulfstream II



CATEGORY:

Super Mid-Size Jet

MANUFACTURER:

Grumman/Gulfstream Aerospace, USA

ENGINES:

2x Rolls Royce Spey 511-8 turboprops

LENGTH:

24.36 m

WINGSPAN:

20.98 m

RANGE:

6,635 km

MAX. SPEED:

936 kmh

SEATING CAPACITY:

Up to 19

NO. OF CREW:

2

MAXIMUM TAKE-OFF WEIGHT (MTOW):

29,711 kg

DESCRIPTION:

The Gulfstream II is very definitely 'a child of the sixties'. The programme was announced by Grumman in May 1965 with the first flight taking place in October 1966. The Gulfstream II received FAA certification in October 1967 with initial customer deliveries taking place three months later. The Gulfstream II shares the same forward fuselage with the turboprop Gulfstream I it was designed to replace.

A total of 258 Gulfstream IIs were produced with just a small number remaining in service today. The Gulfstream IITT (illustrated here) was a modified version with wingtip fuel tanks which received certification in 1977. Gulfstream American purchased the Grumman production line in 1978 and unveiled the larger Gulfstream III in 1980.