



Dry / Wet leasing at transavia.com

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Introduction



Goal of this presentation:

- Understanding how aircraft leasing is conducted at transavia.com
- Sharing operator view upon leasing BETWEEN operators under EASA Air Operations

Content



- Introduction
- transavia (seasonal) aircraft leasing
- Leasing BETWEEN operators under EASA Air Operations

Introduction



Introduction



- 100% subsidiary of AF/KLM-group
 - B737NG fleet, average 30 a/c
 - Charter & scheduled services
 - Seasonal leasing program
 - summer: 5-8 dry lease in
 - winter: 5-8 dry lease out
- > important contribution to the financial company results

Content



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transavia (seasonal) aircraft leasing



- **Policy transavia**: leasing partners have similar mature and effective (safety) management standards.
- **Wet lease IN / OUT**:
 - Mainly short notice and from / for EU-operator
 - Occasionally seasonal wet lease
- **Dry lease IN** mainly from outside EU
 - Mandatory change of registration (EU CofA)

transavia (seasonal) aircraft leasing



Dry lease IN (continued)

- Costly process:
 - Aircraft financing securitizations have to move from 3rd country to The Netherlands (>200 K euros per aircraft owner)
 - Modification costs for EASA compliance (eg Boeing SB's, EASA AFM, EASA validations >200 K euros)

transavia (seasonal) aircraft leasing



Dry lease IN (continued)

- Time consuming:
 - Lengthy administrative processes (Airworthiness reviews, validations, availability SB's etc.)
- Consecutive forward & backward registration changes can easily result in errors

transavia (seasonal) aircraft leasing



- **Dry lease OUT** mainly to non-EU operators (eg registered in US, Canada, Bermuda, Trinidad)
- PH-registration is generally accepted by foreign authorities and supported by CAA-NL
 - Transfer of oversight to 3rd country
 - Block validation air crew
 - Maintenance iaw Part-145
 - Continuing airworthiness subcontracted to TAV

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Leasing BETWEEN operators under EASA Air Operations



- 965/2012: any lease agreement needs prior approval of the competent authority.
 - 1008/2008 (art 13): Community air carriers may FREELY operate wet leased aircraft registered within the Community.
- > Contradiction?
- > Opinion TAV: wet-leasing within EU Community should be without prior authority approval

Leasing BETWEEN operators under EASA Air Operations



Dry lease IN of an aircraft registered in a 3rd country

[ORO.AOC.110 (d)]:

- Operational need can't be satisfied through leasing of EU registered aircraft.
- Lease period doesn't exceed 7 months
- Compliance with 2042/2003 (cont airw) is ensured

Leasing BETWEEN operators under EASA Air Operations



- 2 remaining / open issues:
 - All aircraft have a CofA iaw EC 1702/2003 (ORO.AOC.100)
 - How to comply with continuing airw. requirements

Leasing BETWEEN operators under EASA Air Operations



- IACA and several leisure operators discussed the matter with EASA
- NPA 2010-10: 131 comments from 34 CAA's, professional organizations and companies were filed.
- Both remaining issues are incorporated in Opinion 06/2012 that means:

Leasing BETWEEN operators under EASA Air Operations



- All aircraft has a CofA iaw EC 748/2012 or are dry leased iaw ORO.AOC.110(d)
 - Introduction of Annex V (Part T) covering the requirement to comply with EC 2042/2003
- > acceptance of Opinion 06/2012 will enable EU operators to dry lease in a 3rd country registered aircraft AND under foreign TC

Leasing between operators under EASA Air Operations



- Apparently some Member States do not agree with Opinion 06/2012 (Reasons.....?)
- Risk that 3rd countries will stop their acceptance of EU registered aircraft for seasonal leasing -> if so we are even further away from any benefit the EASA system could bring to operators!

Summary



- Leasing partners have similar high level standards
 - Wet leasing within Community should be possible without prior authority approval
 - Opinion 06/2012 is strongly supported by TAV (and other operators)
 - High incurred cost savings
 - Significant savings of time
 - No risks for errors resulting from re-registrations
- > great improvement of business flexibility

Questions?

