

Official Record Series 4

United Kingdom Civil Aviation Authority



Miscellaneous

No: 1595

**The Operation of Air Services in the
Community Regulations 2009 – SI 2009
No 41: Regulation 17(1) and 17(2)**

Publication date: 04 April 2024

UK Regulation (EU) No. 965/2012

General Approval

General Approval for Leasing Agreements Entered into by a UK Air Carrier

Background

- 1) The purpose of this General Approval is to enable United Kingdom (UK) Air Carriers to enter into leasing agreements of UK registered aircraft. This is as a result of an unintended consequence of EU exit. Once this has been addressed in the regulations this Approval will be revoked.
- 2) Additionally, it provides guidance on the notification requirements for such leasing agreements and the documentation required to be presented to the UK Civil Aviation Authority (the CAA), prior to commencement of these agreements.
- 3) For the purposes of these approvals:
 - a) “UK Air Carrier” means an Air Carrier holding an air operator certificate (AOC) and an operating licence (OL) granted by the CAA;
 - b) “dry lease agreement” and “wet lease agreement” have the same meanings as in UK Reg. (EU) No. 965/2012;
 - c) “lessor” means the party from which the aircraft is leased¹; and
 - d) “lessee” means the party to which the aircraft is leased.

General Approvals

4) **Dry Lease-in agreement of a UK Registered Aircraft between UK Air Carriers**

The CAA approves, in accordance with regulation 17(1) of the Operation of Air Services in the Community Regulations 2009 (SI 2009/41) and as required by regulation 17(2)(b), any dry lease-in agreement of a United Kingdom registered aircraft by one UK Air Carrier from another UK Air Carrier subject to the following conditions:

¹ Source: ICAO Doc 10059 Manual on the implementation of Article 83 bis of the Convention on International Civil Aviation; 1st ed. 2017

- a) that the lease is for the purposes of commercial air transport;
- b) that there is a valid written lease agreement in place between the Air Carriers; and
- c) that prior notification to the CAA of the lease is made in accordance with paragraphs 7) a), b) and c) below.

5) **Wet Lease-in by a UK Air Carrier of a UK Registered Aircraft from another UK Air Carrier**

The CAA approves, in accordance with regulation 17(1) of the Operation of Air Services in the Community Regulations 2009 and as required by regulation 17(2)(c), any wet lease-in agreement of a UK registered aircraft by one UK Air Carrier from another UK Air Carrier subject to the following conditions:

- a) that the lease is for the purposes of commercial air transport;
- b) that there is a valid written lease agreement in place between the Air Carriers;
- c) that prior notification of the lease to the CAA is made in accordance with paragraphs 7) a), and c) below.

6) **Dry Lease-out agreement of a UK Registered Aircraft to a UK Air Carrier**

The CAA approves, in accordance with ARO.OPS.110(a)(3) of UK Reg. (EU) No. 965/2012, any dry lease-out agreement of a United Kingdom registered aircraft from one UK Air Carrier to another UK Air Carrier subject to the following conditions:

- a) that the lease is for the purposes of commercial air transport;
- b) that the lessor provides to the CAA a copy of the lease agreement, excluding the financial arrangements, between the Air Carriers; and
- c) that prior notification to the CAA of the lease is made in accordance with paragraphs 7) a), b) and c) below.

7) **Required CAA Notifications for Use of this Approval**

- a) UK Air Carriers shall notify their CAA assigned FOI of all leases entered into pursuant to this approval, prior to the commencement of the lease;
- b) UK Air Carriers shall notify their CAA assigned Airworthiness Surveyor of all leases entered into pursuant to paragraph 4) of this approval, prior to the commencement of the lease. The notification shall include all of the information required in Annex A of this General Approval.
- c) Prior to the commencement of the lease, all lease agreements entered into, pursuant to paragraphs 4), 5), and 6) of this General Approval, shall be notified to the CAA by e-mail to Aircraft.Leasing@caa.co.uk. The following details shall be included in the notification:
 - i) the circumstances which led to the lease;
 - ii) the routes to be flown; and
 - iii) in the case of a wet lease-in under paragraph 6), the name of the operator of the leased aircraft.

- 8) This approval replaces the approval published in the Official Record Series 4 No.1573, which is hereby revoked.

Date in Force

- 9) This approval has effect from **04 April 2024** until **03 April 2025**, both dates inclusive, unless previously revoked.

J Hanafin
for the Civil Aviation Authority

04 April 2024

ANNEX A – for dry leases under Paragraph 4 and 7(b) above

The operator (lessee) intending to dry lease-in an aircraft should provide their assigned Airworthiness Surveyor with the following documentation for approval relating to the dry leased aircraft:

- a) Continuing Airworthiness Management Exposition (CAME) Amendment to include updated registrations;
- b) Aircraft Maintenance Programme (AMP) amendment. This may also include detail of any bridging checks which may be required to align to the new programme;
- c) Any required updates to Part 145 'Contracts' or Part M 'Subcontracts'; and
- d) Any other relevant documents, e.g. Technical Log which may require approval prior to a UK to UK dry lease-in.

Please note: an aircraft can only be dry leased-in by an operator if they already hold the scope for that aircraft type on their Part M / Part CAMO Form 14 certificate and within the CAME 'Scope of Work'.

Short Term UK to UK Dry Leasing

For dry lease period less than 12 weeks in duration (Short Term), the UK Civil Aviation Authority **may** accept that an aircraft remains on the lessor's AMP, is only contained within the lessor's CAME, and utilises existing maintenance contractual arrangements the lessor may have with Part 145 maintenance organisations. However, in these instances, it shall be noted that the lessee remains responsible for the Continuing Airworthiness of the aircraft in accordance with subpart M.A.201(b) of UK Reg. (EU) No. 1321/2014.

In these short term situations, the lessee shall provide to the Airworthiness Surveyor a 'Short Term Leasing Interface Agreement' between the lessee and lessor which details how the responsible CAMO (lessee) will have oversight of the activities the subcontracted functions of the lessor during the lease period, as well as the contracted functions of the Part 145 maintenance organisation per subpart M.A.711(a)(3)/CAMO.A.125(d)(3) and M.A.708(c) /CAMO.A.315(c) of UK Reg (EU) No. 1321/2014, respectively. An example template of this is available upon request from the UK CAA through the assigned Airworthiness Surveyor.

It should also be noted that the lessee should also have a CAME procedure on how short term UK to UK Dry Lease In of aircraft are managed, and how the lessee has oversight of all decisions made by the lessor during the lease Period.

All Dry Leases of an Ad-Hoc duration (i.e. used in-between normal operations for the lessor) require individual notifications to the Civil Aviation Authority to take place for each lease period.

Please note: an Airworthiness Review Certificate (ARC) cannot be extended during or post a dry lease period due to a change of the unique CAMO managing the aircraft.