



ASSEMBLY — 39TH SESSION

TECHNICAL COMMISSION

Agenda Item 35: Aviation safety and air navigation standardization

IATA PROGRESS OF AIRCRAFT LEASING GUIDELINES AND BEST PRACTICES

(Presented by the International Air Transport Association (IATA))

EXECUTIVE SUMMARY

IATA and a consortium of airlines, lessors, manufacturers and other stakeholders are working together to publish guidelines and best practices in aircraft leasing with focus on technical issues. One of the deliverables is a harmonised set of documents aiming at facilitating the transfer of maintenance records.

<i>Strategic Objectives:</i>	This information paper relates to the Safety Strategic Objective.
<i>Financial implications:</i>	Not applicable.
<i>References:</i>	

1. INTRODUCTION

1.1 IATA was approached by its member airlines regarding concerns about the increased maintenance costs associated with aircraft lease returns.

1.2 The introduction of new technologies and widespread acceptance of electronic documentation has prompted IATA to adopt a 2020 date target for Paperless Aircraft Operations. After 2020, newly produced aircraft records should be delivered electronically. Maintenance records for the existing fleet should be kept in electronic format too. Note that a number of details will be worked out to ensure that the industry does not incur additional financial burden.

1.3 In the upcoming 2017 revision of the *Airworthiness Manual*, (Doc 9760), ICAO will include specific language on the worldwide acceptance of electronic aircraft maintenance records, the cornerstone of transitioning into the electronic world for commercial aviation.

¹ English, Arabic, Chinese, French, Russian and Spanish versions provided by IATA.

1.4 The electronic record keeping will ensure regulatory compliance, facilitate commercial requirements (e.g. aircraft leasing) and allow for significant efficiency improvements in airline operations.

1.5 IATA has been working closely with ICAO on the development of an AOC Registry. The AOC Registry capitalizing on the new technologies has the potential to revolutionize the industry by meeting certain regulatory requirements. This will significantly improve aircraft transfers between various jurisdictions worldwide.

1.6 IATA formed an Aircraft Leasing Advisory Group (ALAG), in order to address issues related to aircraft transfer and leasing and simplify areas of complexity and misunderstandings. The group includes experts from airlines, lessors, manufacturers and other stakeholders.

1.7 The scope of the group was to:

- a) streamline and improve efficiencies of aircraft leasing processes;
- b) provide a forum for airlines, lessors' and other industry stakeholders to address aircraft leasing matters in a neutral environment (outside a lease negotiation or dispute);
- c) develop and publish guidance material and best practices for aircraft leases;
- d) develop standardized document templates; and
- e) identify additional cost saving initiatives.

2. LESSORS VERSUS AIRLINES PERSPECTIVE

2.1 Lessors and airlines frequently have differing views on lease details. Lessors' core expertise is in aircraft leasing, versus airlines' core expertise that is in aircraft operations.

2.2 The lessor will focus on the aircraft value for its entire life while airlines will concentrate on the aircraft operation during the lease period.

2.3 The guidance material was written to try and bridge this gap and facilitate the understanding between the two groups (and others in the industry).

3. THE GUIDANCE MATERIAL AND BEST PRACTICES

3.1 The guidance material address challenging issues related to aircraft lease redelivery such as providing information on:

- a) "back to birth" traceability for Life Limited Parts (LLPs);
- b) airworthiness directives (ADs);
- c) service bulletins;
- d) modifications;
- e) structural repair files; and
- f) complete set of redelivery documents.

3.2 The complete set of redelivery documents focuses on both regulatory requirements and common industry practices.

3.3 The guidelines provide a detailed timeline on aircraft redelivery as late redelivery affects both sides negatively. Each step in the redelivery process is detailed with a best practice timeframe on when each redelivery task should be initiated.

4. **ONGOING WORK**

4.1 The costs involved in aircraft records transfer are quite high and IATA, in association with industry stakeholders, are working on streamlining and making the process more efficient and reducing the costs by becoming paperless in aircraft maintenance.

4.1.1 IATA is working with ICAO to ensure electronic records become accepted worldwide.

4.1.2 IATA works closely with Airlines for America (A4A) (specifically the ATA e-business group) in creating standards for electronic transfer of maintenance records. The list of required set of records is generated in the leasing guidelines which A4A then creates the standard for.

4.1.3 IATA works closely with Original Equipment Manufacturers (OEM) to harmonize the delivery documents. Consideration is given to the complete aircraft life cycle when a harmonized delivery document is created.

4.2 Harmonizing the set of redelivery documents to make the process more efficient for all stakeholders with a focus on the aircraft complete life cycle.

4.3 Standardizing how data on Life Limited Parts is captured and transferred between owner/operators with focus on compliance with all regulatory requirements.

4.4 The 4th edition of the Leasing Guidelines is currently in process and its estimated publication date is 1st quarter 2017.

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