



**P/16 Agenda Item 4  
Aircraft Lease  
Arrangements  
for Commercial  
Air Transport**

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# EXECUTIVE SUMMARY

Aircraft leasing constitutes a key mechanism for the operational and financial management of air operators, as well as for the oversight of operational safety. ICAO addresses this subject from two complementary perspectives:



## **Doc 8335**

### *Operational Safety*

Manual of Procedures for Inspection, Certification and Continued Surveillance. Provides guidance to States for establishing effective oversight systems for air operations.



## **Doc 9626**

### *International Air Transport*

Manual on the Regulation of International Air Transport. Analyses national, bilateral and multilateral regulatory processes within the sector.



## **Annex 6 Part I**

### *Study Note*

Examines the essential aspects of aircraft leasing, with emphasis on the responsibilities of States and operators to ensure regulatory compliance.

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# INTRODUCTION

Aircraft leasing constitutes a key mechanism for:

**1** **Operational and Financial Management**  
The operational and financial management of air operators

**2** **Safety Oversight**  
State oversight of operational safety

## ICAO Approach

ICAO addresses this subject from the perspectives of operational safety (Doc 8335) and international air transport regulation (Doc 9626).

**Doc 8335**

### **Operational Safety and Oversight**

Manual of Procedures for Inspection, Certification and Continued Surveillance

**Doc 9626**

### **International Air Transport Regulation**

Manual on the Regulation of International Air Transport

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# REGULATORY FRAMEWORK

Doc 8335

## Manual of Procedures for Inspection, Certification and Continued Surveillance

Guidance for States to establish effective certification and continued surveillance systems for international commercial air transport operations.

## Key Points

- 1 Effective and Continuous Control**  
The State of the Operator shall exercise effective and continuous control over operations conducted under its AOC
- 2 Operational Safety**  
Lease agreements shall not compromise operational safety
- 3 Defined Responsibilities**  
Clearly defined responsibilities for operations, maintenance, crew and safety management
- 4 Article 83 bis**  
Consideration of agreements pursuant to Article 83 bis of the Chicago Convention

# REGULATORY FRAMEWORK

Doc 9626

## Manual on the Regulation of International Air Transport

Comprehensive analysis of national, bilateral and multilateral regulatory processes in international air transport.

## Aircraft Leasing



### Market Access and Expansion

Facilitates market entry, fleet expansion and service continuity



### International Harmonization

Shall be harmonized with bilateral and multilateral air services agreements



### Regulatory Implications

Raises implications regarding nationality, effective control of the air carrier and fair competition

# TYPES OF AIRCRAFT LEASING

1

## Dry Lease

### Without Crew

The lessee operator assumes full operational responsibility for the aircraft.

2

## Wet Lease

### With Crew

The aircraft is leased together with crew, maintenance and insurance.

3

## Interchange

### Interchange

Combines elements of both schemes. The aircraft is operated under different authorized operators.

## Key Requirement

Regardless of the type, the State shall ensure that safety responsibilities are clearly assigned and supervised (Doc 8335).

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# RESPONSIBILITIES OF STATES AND OPERATORS

## Doc 8335 Approach

- 1 The State of the Operator retains primary responsibility for safety oversight
- 2 Coordination with the State of Registry shall exist in international leases
- 3 The operator's AOC shall adequately reflect the use of leased aircraft

## Doc 9626 Approach

- 1 States shall evaluate agreements based on air transport policies and international commitments
- 2 Avoid market distortions and ensure regulatory transparency
- 3 Harmonize with bilateral and multilateral air services agreements

# KEY CONSIDERATIONS

Doc 8335

Doc 9626

Docs 8335 and 9626 provide a complementary framework. Together they highlight the importance of a balanced approach that ensures safety, regulatory compliance and orderly development.

## Identified Challenges



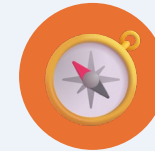
### Regulatory Incompatibility

Regulations often incompatible between the State of Registry, State of the Operator, third and fourth States



### Policy Review

Need to review policies and procedures to avoid difficulties in the approval of lease agreements



### Guidance to States

Guide States in the authorization of agreements between different operators

# SUGGESTED ACTIONS — FOR STATES

## Responsibilities and Challenges

### Doc 8335 — Operational Safety

- Exercise effective and continuous control over operations under its AOC
- Ensure that lease agreements do not compromise operational safety
- Clearly define responsibilities for operations, maintenance, crew and safety management
- Coordinate with the State of Registry in international leases (Art. 83 bis)

### Doc 9626 — Air Transport

- Evaluate agreements based on air transport policies and international commitments
- Avoid market distortions and ensure regulatory transparency
- Harmonize with bilateral and multilateral air services agreements

### Identified Challenges

- Regulations often incompatible between States
- Need to review policies and procedures for the approval of agreements

## Suggested Actions

**a**

### Update regulations and procedures

Reflect advances in business models, eliminate redundant processes and optimize regulatory harmonization for the conclusion of lease agreements between air operators.

**b**

### Enhance risk management and performance measurement mechanisms

In operational safety matters, ensuring that acceptable safety standards are maintained and supervised for all stakeholders.

**c**

### Regional Collaboration

Leverage regional cooperation models for the sustainable development of civil aviation globally and the strengthening of safety oversight systems.

# SUGGESTED ACTIONS — FOR ICAO

## ICAO Regulatory Framework

### Doc 8335 — Inspection and Surveillance

- Guidance for States to establish effective certification and continued surveillance systems
- Focus on operational safety and oversight of international commercial air transport operations

### Doc 9626 — Air Transport Regulation

- Analysis of national, bilateral and multilateral regulatory processes
- Implications regarding nationality, effective control of the air carrier and fair competition

### Complementary Approach

- Both documents highlight a balanced approach that ensures safety, regulatory compliance and orderly development

## Suggested Actions

a

### Review and update SARPs

Ensure they reflect current practices and collaborative processes of RSOOs, fostering the development of new and efficient business models related to aircraft leasing.

b

### Update guidance material and USOAP methodology

Foster confidence in policies based on harmonization and performance, consistent with the development and growth of the aviation sector.

c

### Uniform criteria for auditors

Reduce the interpretive/subjective component during audits, specifically in protocol questions pertaining to aircraft leasing.

d

### Promote cooperation between States and regions

Support common regulatory frameworks and mutual recognition of certifications, authorizations, approvals, specific approvals and licences, through information exchange programmes and best practices platforms.

# ICAO STRATEGIC VISION

## ICAO Strategic Goals 2026–2050



### **Safety**

All flights are safe and secure



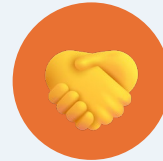
### **Sustainability**

Aviation is environmentally sustainable



### **Mobility**

Aviation provides seamless, accessible and reliable mobility for all



### **Inclusion**

No country is left behind

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## CONCLUSION AND REFERENCES



This Study Note urges States and ICAO to take action in the development of policies, procedures or regulatory evaluations related to aircraft leasing in the context of international civil aviation, and therefore suggests a review thereof to avoid difficulties and guide States in the approval/authorization of such agreements between different operators.

### Reference Documents

#### Annex 6 Part I

International Commercial Air Transport

#### Doc 8335

Manual of Procedures for Inspection,  
Certification and Continued Surveillance

#### Doc 9626

Manual on the Regulation of International Air  
Transport



Thank you