

# Private Ops

## vs. AOC for Chinese Operators Flying Globally

Advantages of international missions managed as either private operations or under an AOC differs from continent to continent, and from country to country. This resource will give Chinese operators advice on how to best operate comparing some of the differences and disadvantages for each operation type when travelling to Europe, the Americas, Africa, and Asia-Pacific.

Operating as either a private or commercial flight can make a big difference with the results depending on where on the globe you're flying to. While the definitions of non-scheduled commercial (AOC) and private flights in business aviation are definite, there is flexibility, especially flights for owners of aircraft which are on an AOC as they can benefit from various options once they are handled legally and safely.

Considering the requirements of a mission and then optimizing the type of operation to your exact needs is the best way to operate your jet legally and efficiently around the planet. Cost savings can be achieved on various sides, all the while ensuring a successful, hassle-free, and smooth operation.

Aircraft which are on an AOC but are transporting their owners are better able to take advantage of such situations, whereas, charter flights must always be declared properly. Therefore, it is a major benefit for any operator to know about specific regulations and differences in advance so you can make the most informed, cost and time-effective decision when operating your aircraft internationally



# Types of Business

## Aviation Operations

**B**usiness Aviation is the sector of aviation which concerns the operation or use of aircraft by companies for the carriage of passengers/goods as an aid to the conduct of their business.

**COMMERCIAL:** The commercial operation or use of aircraft by companies to carry passengers or goods as an aid to the conduct of their business and the availability of the aircraft for whole aircraft charter.

**CORPORATE:** The non-commercial operation or use of aircraft by a company to carry passengers or goods as an aid to the conduct of company business.

**OWNER OPERATED:** The non-commercial operation or use of aircraft by an individual to carry passengers or goods as an aid to the conduct of his/her business.

**FRACTIONAL OWNERSHIP:** The operation or use of an aircraft by an entity for a group of owners who jointly.

hold minimum shares on the aircraft. Fractional Operators can be non-commercial; however, the operation of the aircraft may be declared as a commercial operation by the AOC held by the entity or management company

**The EASA recognizes the following categories of operations:**

- Commercial Air Transport (CAT)
- Non-Commercial operations with Complex aircraft (NCC)
- Non-Commercial operations with aircraft Other than complex (NCO)
- Special Operations (SPO)

**On the other hand, the FAA recognizes these categories:**

- FAR Part 91 Private Operation
- FAR Part 135 Commercial Non-Scheduled

## Some Common Scenarios for Operators Travelling Globally

**A** private owner of a business jet which is on an AOC plans to depart Geneva at 2230lt to fly to Tokyo. Geneva closes at 22.00lt for private traffic but allows commercial traffic to depart after 22.00lt. Based on the AOC and regulations, the flight could operate as commercial, benefitting from the extended operating hours. However, the landing permission for a commercial flight in Japan takes a lot of time and paperwork to secure. So, therefore, this is not the best option, especially if this is being decided on short notice.

**P**erhaps the passengers have already made arrangements that would need to be cancelled, or perhaps the aircraft needs to ferry to a nearby airport to keep the schedule with a late departure as private flight, but ground transport would then mean additional costs.

**K**nowledge of all available options and regulations before a schedule is decided on means operators can make the most of each mission. Sometimes this could mean saving direct money like VAT, or sometimes it can mean saving on additional costs like repositioning or changing schedules.

**A**nother example, if you have a charter flight with passengers who normally fly on their own privately-operated jet which are used to going certain places and getting permits quickly (i.e. Australia). If they charter a jet, they will often expect the same ease, but this won't be possible because of the commercial nature of the flight. This can be frustrating as passengers do not realize the difference. The danger is that if an operator has no access to all of the information it may end up operating illegally to please passengers. At the destination, Customs officers recognize the passenger because he frequently goes there on his private jet, but now they see him on a chartered aircraft so the operator will be held responsible of operating illegally and fined heavily creating major issues for the AOC holder.

**B**oth scenarios highlight the importance of having an experienced, global trip support partner to help decide what operation is best for your individual needs, explain your options to you and thereby give you peace of mind knowing your mission is being handled in the most efficient, cost-effective, and compliant way possible.

# 1 Travelling to Europe

Normally, private aircraft not operating under an AOC can move freely within the EU, with no restrictions on permits or large documentation requirements. Approval leading times are reasonable and short and mainly limited only by the working hours of the authorities.

For commercial flights under an AOC, there can be more restrictions in obtaining permits. In general, a TCO approval is mandatory and remains valid for 24 months.

PART TCO Authorisation Required	PART TCO Authorisation NOT Required
<ul style="list-style-type: none"> <li>All non-European AOC holders intends to perform commercial air transport operations (scheduled or not scheduled, Charter).</li> <li>Wetlease in -when Lessor is TCO with foreign AOC (Reg.EU.965/2012).</li> <li>Business Aviation Operator with AOC /flight types issued "N" or "S".</li> <li>Code-sharing with TCO</li> <li>Operational Technical Landings</li> <li>FM Part 135 Operators.</li> </ul>	<ul style="list-style-type: none"> <li>All Overflights</li> <li>Dry-Lease to EU-Operators</li> <li>FAA 14CFR Part 125 Operators</li> <li>FAA PART 91 Operators, if strictly operating under PART 91 classification.</li> <li>Operational Route Alternates</li> <li>TCO AOC holder, certified by EASA Member State.</li> </ul>
(Source: Tarmac Aviation GmbH 2016 / COMMISSION REGULATION (EU) No 452/2014)	

In addition to the TCO, landing permits for several countries must be applied for in advance.

On the positive side, operating to Europe as commercial non-scheduled under an AOC can secure a VAT and Mineral Oil Tax (MOT) exemption through the presentation of an AOC at the time of uplift.

Certain airports mean additional advantages as commercial flights can access extended airport operating hours for commercial traffic because private traffic is subject to more restrictions during nighttime.

In Europe, the difference between private and commercial is typically distinguished by the presence of an AOC and the type of flight plan filling (-N- / -G-).

# 2 Travelling to The Americas

Commercial Operators in the US will need a customs security bond along with a DOT approval which can take a longer application period based on the documents required and the customs decision. Those are general approvals to operate commercially and not trip related, so all Customs and Immigration arrangements for the live flight needs to be addressed separately.

Canada demands a Foreign Operate Certification (FOC) based on your AOC.

Cabotage issues must be monitored carefully as often flights which are declared as commercial to satisfy the AOC regulation authority, will face cabotage problems if the passenger count increases while operating in the US/Canada. This is still the case when the additional passengers are company staff or friends.

Many countries in South America consider commercially operated business flights to be in the same category as airline operation, which means extended paperwork and lead-time is needed to obtain the required approvals.

A private operation to the US or Canada in general requires less paperwork and also allows the domestic transport of additional passengers, provided they are guests of the aircraft owner and not creating any revenue. However, a private flight requires all passengers to have a valid visa for the US, irrespective of their nationality and even if the aircraft operator is enrolled in a visa waiver program.



## 3 Travelling to Africa

In sub-Saharan Africa, most of the authorities do not make any major distinctions between operating private and non-scheduled commercial flights. The processes and requirements are often the same for both categories of flights regarding permit processes and operational requirements. In most countries, applicable fees, approval periods for authorization and all other requirements are basically the same.

However, in certain countries, the way the operation is presented may trigger the commercial interest of the

authorities. For instance, if a proposed non-scheduled flight is presented with a more commercial outlook rather than simply a non-scheduled operation, it might cause officials to invoke tariffs and requirements which would normally be reserved for scheduled commercial operations.

A mere mention of the word 'charter' or 'commercial' in an application will automatically trigger an additional request for a copy of the charter contract and a fee as royalties which must be paid before a permit is issued.

## 4 Travelling to Asia-Pacific

Like Africa, many parts of the Asia-Pacific do not differentiate between private or commercial business jet flights regarding permit application, lead times, and VAT.

However, there are a growing number of countries which are beginning to categorize in a way similar to in Europe and the Americas. Japan, Australia, and New Zealand distinguish between the categories and have different application procedures for commercial landing permits for business jets that include the presentation of charter details and prices. Sensitive information such as the charter price and the name of the charterer also needs to be presented, which means overall processing time to collect and present the required documentation is longer than many operators expect.

Operating a business jet globally and navigating through all different legislations in compliance with all regulations is becoming a bigger challenge. The legislation may differ between the departure and destination country of your journey. To ensure your jet and passengers always operate in compliance with all regulations and benefit from possible advantages a thorough pre-planning is advised.

An experienced trip support partner will ensure fully legal flight operations, optimize costs, and save on planning time and potential issues during the operation. Contact UAS...

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