

Part A - Regulatory Context for this Call for Evidence

What is leasing?

Aircraft leasing is the rental, rather than purchase, of aircraft by an air carrier (i.e. commercial air transport operator) or a non-airline entity.

For the purposes of this Call for Evidence, aircraft 'leasing' includes planned wet leasing, damp leasing, emergency wet leasing, dry leasing and rapid dry leasing.

A planned 'wet lease agreement' is an agreement between air carriers where the aircraft is operated under the Air Operator Certificate (AOC) of the lessor. The air carrier (the lessor) provides an aircraft, complete with crew, maintenance and insurance (ACMI) to another airline (the lessee).

'Emergency wet leasing' is where a UK carrier requires wet leasing from an air carrier not on a pre-approved list (known as the White List) on an urgent basis need as a result of exceptional circumstances.

A 'damp lease agreement' is an agreement where the aircraft is leased with partial crew.

A 'dry lease agreement' is an agreement between parties where the aircraft is operated under the AOC of the lessee. In a 'dry lease agreement' the aircraft is leased without crew.

'Rapid dry leasing' is a dry lease agreement for rapid deployment (short lead-time assisted by streamlined internal approvals, standardised lease template and pre-negotiated intercarrier arrangements). The lessor retains beneficial ownership or registration oversight for the lease term. In addition to the lease agreement, an operational agreement or support agreement between the lessor and lessee (e.g. for maintenance interface, crew relief, repositioning, regulatory oversight) is in place.

Current aircraft leasing framework - Summary

The current leasing framework is a product of a number of UK Regulations and CAA Policies. The summary set out in this section is complemented by a detailed outline in Appendix B. Together, they capture the 'Current Leasing Framework.'

UK air carriers are required to hold an AOC and an Operating Licence. An Operating Licence may be granted if a UK air carrier has at least one aircraft at their disposal through ownership or a dry lease agreement. In line with International Treaties and Obligations, aircraft capacity required in a UK carrier's operations should normally consist of aircraft operated by the carrier on their own AOC.

There is also a requirement for aircraft used by a UK air carrier to be registered in the UK. However, in circumstances where a UK air carrier has a wet lease or dry lease agreement the aircraft can be registered in the UK or in another country if certain regulatory requirements are met.

UK AOC holders must ensure that their Operations Manual, Part A, Section 13 (Leasing) entry reflects the leasing activities required for their operation.

Wet Leasing In and Dry Leasing In

Subject to obtaining regulatory approval, a UK air carrier can operate wet leased in or dry leased in aircraft registered in the UK or the Community (being an EU or EEA Member State, or Switzerland) except where this would lead to endangering safety.

The CAA has implemented a 'White List' process for UK air carriers wet leasing-in aircraft. The White List process conducts the safety assessment ahead of time and aircraft on a UK air carrier 'White List' can be called on to provide a leasing service if required. The White List will also show how a company can undertake the oversight of those carriers in a leasing situation. The White List is not an approval to lease however it accelerates the decisionmaking process for approvals.

A UK air carrier can wet lease in from Third Countries (being a country outside of the UK or the Community) on the basis of exceptional needs, to satisfy seasonal capacity needs and to overcome operational difficulties. The Third Country Operator (TCO) must hold a Foreign Carrier Permit, the lessor's pilot must hold a third country pilot licence validation (unless they have been granted an exemption) and the TCO must hold a Part-TCO Authorisation, all issued by the UK Civil Aviation Authority (CAA).

A UK air carrier can dry lease-in aircraft registered in a Third Country, subject to certain compliance with Regulations, if an operational need has been identified that can't be satisfied through using a UK aircraft and if the duration of the dry lease does not exceed seven months in any 12-month consecutive period.

All leasing-in agreements are subject to prior approval from the CAA and the approvals may be subject to conditions. In some circumstances there are prior approvals in place, for example there is a General Approval in place allowing UK air carriers to lease a UK registered aircraft from another UK AOC holder (ORS4 1626 – General Approval for Leasing Agreements Entered into by a UK Air Carrier) and there is a General Approval in place allowing a UK air carrier to wet lease in aircraft from the UK or the Community in urgent circumstances (ORS4 1625 - General Approval for Wet Lease-in Agreements in Exceptional Circumstances).

Wet Leasing Out

A UK carrier may wet lease-out a UK registered aircraft to a UK Operator. A prior approval is not required as there is a General Approval in place in relation to this leasing arrangement. The UK air carrier needs to notify the CAA of this arrangement.

A UK carrier may wet lease-out a UK registered aircraft to any operator (Community or TCO), if the correct notification procedures are followed and if the UK carrier's AOC covers the areas of operation.

Dry Leasing Out

A UK carrier may dry lease-out a UK registered aircraft to a UK operator. A prior approval is not required as there is a General Approval in place in relation to this leasing arrangement. The UK air carrier needs to notify the CAA of this arrangement.

A UK carrier may dry lease-out a UK registered aircraft to a community operator or a TCO only if they have obtained prior approval from the CAA.

Part B - Why we are issuing this Call for Evidence

What is the purpose of seeking views on Leasing?

The last significant review of the Current Leasing Framework was approximately ten years ago, when the UK was still a member of the European Union. Over the last ten years the operational context has changed, including the way UK air carriers use leasing to support their evolving business models, changes in consumer expectations and changes in the aviation landscape.

As the UK's independent aviation regulator,¹ the CAA has primary responsibility² for the oversight of the leasing arrangements of UK air carriers and ensuring compliance with the UK's obligations to International Civil Aviation Organisation (ICAO). It is therefore appropriate for the CAA to review the Current Leasing Framework.

The main aim of this Call for Evidence is to identify whether the Current Leasing Framework, described in Part A and Appendix B, remains fit for purpose, in particular in relation to safety and the resilience of the UK aviation sector.

The Call for Evidence will assist the CAA to:

- Evaluate how leasing supports, or could support, business operations. This includes an evaluation of seasonal operations, planned maintenance, disruption management and new business or route development;
- Assess whether the Current Leasing Framework and leasing approval process ensures and maintains the highest possible level of safety for consumers, while supporting airline operational resilience;
- Identify barriers, risks, or unintended impacts on the ability to lease under the Current Leasing Framework;
- Identify and consider potential opportunities to improve flexibility, transparency, and oversight of leasing practices;
- Evaluate if the Current Leasing Framework continues to foster an environment that allows for a UK-based aviation industry to thrive and compete globally; and
- Validate the CAA's understanding of current leasing activities in the UK. Who are we seeking views from?

We are seeking views from all stakeholders on the Current Leasing Framework, as set out in Part A and Appendix B, including members of the public. In particular, we are keen to hear the views of, and receive supporting evidence from:

- UK air carriers;
- lessors;
- trade unions; and

¹ The Civil Aviation Authority is a public corporation established by Parliament in 1972.

² Please see Part 2 of the Operation of Air Services Regulations 2009 which sets out CAA as the regulator of leasing arrangements in the UK.

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- industry associations.

Part C – How to Respond and Next Steps

Timeline

This call for evidence will be open for 8 weeks and will close on 11 May 2026.

How to Respond

Please respond to any or all of the questions at **Appendix A** via our dedicated online platform Citizen Space which will enable us to analyse responses effectively. In the response, please include:

- as much detail as possible about the relevance of leasing to your business;
- as much detail as possible on the leasing activity you/your organisation undertakes, in what circumstances leasing activity takes place and why leasing activity takes place;
- where relevant, details of any areas of improvement to the Current Leasing Framework you have identified, and why those improvements are needed;
- where relevant, how those areas for improvement you have identified, might enhance the resilience of the UK aviation sector; and
- any evidence to support any views (please include quantitative data or case studies or examples where possible).

What happens next

Following this call for evidence, the CAA will analyse submissions made to this call for evidence with a view to identifying emerging themes and will use these to consult on potential changes to the leasing policy, guidance and processes.

Subject to the responses at consultation and any other relevant additional information, we intend to publish a decision on next steps by the end of 2026.

Alternative formats and access queries

If you need this document in another format or having issues in making a submission then please contact us at Airlinelicensing@caa.co.uk. Where possible we will accommodate requests for alternative formats and each request will be considered individually.

APPENDIX A – Key Areas and Questions

Please note that Questions 1 to 5 relate to all forms of leasing. Questions 6 to 10 relate to specific forms of leasing.

Stakeholders are invited to provide views and evidence on the following areas:

1. Sourcing and resilience

- a) What is the company's operational policy on:

i) leasing UK aircraft and non-UK aircraft; and/or ii) the use of leased aircraft in relation to operational resilience?

Please provide a copy of the criteria/policy, if available.

- b) If not covered in the response to a), what are the main drivers behind where aircraft are leased from (e.g. suitability, availability, cost, branding)?
- c) If not covered in response to a) or b), what are the operational and financial criteria used to determine if a UK aircraft or non-UK aircraft will be used in a leasing arrangement?
- d) How is leasing utilised to deliver or enhance operational resilience of the organisation?
- e) If the company's resilience is managed across the group, is it dependent on leasing aircraft? If yes, how is this done?

2. Regulatory Framework and Approval Process

- a) Is the Current Leasing Framework clear? If not, why and what changes might you wish to see?
- b) Are the CAA's current leasing approval procedures (CAA approvals, permissions, authorisations, safety and oversight requirements) appropriate, timely and clear to interpret? If not, how could they be improved?
- c) The Current Leasing Framework is based on approving a number of aircraft. Are there benefits in making that approval in relation to number of sectors (examples of sectors being scheduled passenger, business aviation, cargo/freight and (ACMI/Charter) / hours (being an approval to lease for X amount of hours per week, month or year)?
- d) Some EU states have an objections or agreement processes whereby national carriers of that state formally object, or provide agreement, to proposed leasing arrangements to ensure that carriers of that state are not disadvantaged. Should the UK consider adopting such a review process or a formal requirement to demonstrate UK capacity is not available?
- e) How do international regulatory arrangements (e.g. EU or third-country approvals) effect operational flexibility for UK carriers?
- f) How could the CAA White-List process be improved?
- g) Are there any barriers to wet leasing out under the Current Leasing Framework?

3. Safety and Compliance Oversight

All non-UK air carriers (including EASA³ carriers) are now categorised as Third Country Operators (TCO). The CAA issues a Part [TCO](#) certificate to permit TCO's to fly to, from, or within the UK with a Foreign Carrier [Permit](#). In the case of wet lease in, the lessee carrier also has a responsibility to audit the lessor carrier⁴ and ensure they are capable of safely conducting the flights which are being contracted.

- a) Are existing regulatory safety oversight mechanisms sufficient to ensure parity between UK and third country-registered aircraft operating under wet lease arrangements?
- b) The TCO process validates that the lessor holds the required approvals to legally operate. The lessee is responsible for oversight to ensure that the lessee is capable of operating the specific operation, for which they are being contracted, to the equivalent level of safety. What processes do you, as a carrier, have in place to assess this equivalent level of safety?
- c) How effective is coordination between the lessor's and lessee's regulatory authorities?

4. Commercial and Consumer Considerations

- a) What commercial advantages or disadvantages does wet leasing present compared to dry leasing or chartering?
- b) At what point are consumers informed when their flight is operated by a wet-leased aircraft and are they advised of the differences in product if any?
- c) Are there any reputational, service quality, or brand consistency issues arising from current leasing practices?

5. Sustainability and Environmental Impact

- a) Do leased in aircraft play a role in lessors meeting their relevant emissions standards?
- b) Are there opportunities for greener or more efficient use of temporary capacity?

6. Planned wet leasing

We understand that UK air carriers usually employ planned wet-leased aircraft to:

- Manage peak seasonal demand (e.g. summer holiday schedules);
- Maintain continuity of service during planned maintenance or fleet renewal periods; and

³ 'EASA' stands for 'European Union Air Safety Agency'

⁴ In accordance with ORO.AOC.110(c)(2) and AMC1 ORO.AOC.110(c) of the Air Operations Regulation 965/2012, and Article 13(3)(a) of the UK Operation of Air Services Regulation.

- Support the trial of new aircraft types or development of new routes without an upfront long-term fleet commitment.

- a) Does the above list cover all of the purposes for which planned wet leasing may be used?

- b) Why is planned wet leasing significant for businesses and their operating models?

- c) Has the company's approach to planned wet leasing changed since 2016? If so, what are the main changes and drivers?

7. Emergency Wet Lease-In

In respect of the Emergency Wet Lease-In process set out in ORS4 1625 (as set out in Appendix B):

- a) How could the White List process be utilised to cover an unforeseen disruption in place of the emergency wet lease process?

- b) How often should the Emergency Wet Lease-In approval for three periods of 24 hours within a 12-month period be able to be 'reset'⁵?

- c) What factors should the CAA take into consideration before issuing a reset of the Emergency Wet Lease-In approval?

- d) Should carriers need to demonstrate that emergency wet lease-in capacity was not available within the UK market before leasing from a non-UK carrier?

8. Dry lease in

UK air carriers can dry lease in an aircraft from a leasing company, register and operate it on the UK G registry. This requires the active participation of the states of the lessee and lessor, for operational and airworthiness oversight.

- a) If other states wished to enter agreements with the UK CAA, would carriers have an interest in:
 - i) ICAO Annex⁶ 6 transfers; and/or

- ii) ICAO Article 83 ⁶BIS transfers].

⁵ The purpose of a 'reset' where the CAA will allow this emergency provision to be used on another occasion under ORS4 1625 is to allow the CAA oversight as to whether the decision to use the provision was appropriate.

⁶ ICAO Annex 6 is the process of transferring operational responsibilities under aircraft lease agreements .

⁶ [Article 83 bis of the Chicago Convention](#) allows two countries (State of Registry & State of Operator) to create a bilateral agreement to transfer safety oversight (e, g, licensing) from the country where the plane's registered to the country where it's operated, streamlining international operations, and ensuring safety standards are met by the relevant authority.

- a) Please specify the relevant state authority carriers would have an interest in engaging with and, for those carriers responding, whether any engagement has taken place to date with the state of registry.

9. Rapid dry leasing (in or out)

- a) Are there scenarios where rapid dry leasing (in or out) would be beneficial to an operation?
- b) How would aircraft be balanced between UK and non-UK fleets when rapid dry leasing?
- c) Have carriers had engagements with regulators in other states which suggests a willingness to engage in reciprocal arrangements for your fleet?

10. Request for specific wet leasing evidence

- a) Where relevant, and it not already provided, please state on a year-by-year basis for the periods between 2016-2019 and 2022-2026:
- i) how many aircraft the company has wet or damp leased in; ii) what proportion of the company's total fleet has been wet or damp leased in; iii) the purpose of the wet lease or damp lease (e.g. seasonal capacity needs, planned maintenance, route evaluation, other?);

Please using the [template available](#) to respond to this request.

APPENDIX B – Detailed Summary of Current Regulatory Framework

The Current Leasing Framework is set out across a number of UK Regulations and CAA Policies.

Basic Regulation – UK Reg (EU) No. 2018/1139

Article 30 sets out the requirement of UK air carriers to hold an air operator certificate (AOC).

Air Navigation Order 2016 – Air Operator Certificate Requirement

Under Article 101(1) an aircraft registered in the UK must not fly a public transport flight otherwise than in accordance with their AOC.

Under Article 101(2), the CAA must grant a national AOC if it is satisfied that the operator is competent to secure the safe operation of aircraft of the types specified in the certificate on flights of the description and for the purposes specified, having regard in particular to the operator's previous conduct and experience and equipment, organisation, staffing, maintenance and other arrangements.

Airline Operations Regulations - UK Reg (EC) No. 1008/2008

Under Article 3, an air carrier must have an operating licence.

Under Article 4, an operating licence may be granted by the CAA if the UK carrier has one or more aircraft at its disposal through ownership or a dry lease agreement.

Under Article 6, the granting of an operating licence is dependant on the possession of a valid AOC specifying the activities covered by that operating licence.

Under Article 12, aircraft used by a UK air carrier shall be registered in the UK unless they have been dry leased or wet leased in which case they can be registered in the UK or another country. The Secretary of State has asked the CAA to publish a decision in Schedule 7 of the CAA's Official Record Series 1 that "aircraft used by an air carrier that holds an operating licence issued by the CAA are to be registered in the UK national register."

Article 13(1) provides that a UK air carrier may have one or more aircraft at its disposal through dry or wet lease agreements. UK air carriers may operate wet leased aircraft within the UK or an EU Member State except where it would lead to endangering safety.

Article 13(2) provides that a leasing agreement where a UK carrier is party to a dry lease agreement or the lessee in a wet lease agreement is subject to prior approval.

Under Article 13(3), the CAA may grant an approval (with conditions in accordance with Article 13(4)) for a UK air carrier to wet lease aircraft registered outside of the UK or a member state if the safety standards are met and one the following conditions are met:

- a. the UK air carrier justifies such leasing on the basis of exceptional needs, in which case an approval may be granted for a period of up to seven months that may be renewed once for a further period of up to seven months;
- b. the UK air carrier demonstrates that the leasing is necessary to satisfy seasonal capacity needs, which cannot reasonably be satisfied through leasing aircraft registered within the Community or the UK, in which case the approval may be renewed; or

- c. the UK air carrier demonstrates that the leasing is necessary to overcome operational difficulties and it is not possible or reasonable to lease aircraft registered within the Community or the UK, in which case the approval shall be of limited duration strictly necessary for overcoming the difficulties.

The Operation of Air Services Regulations 2009

Part 2 establishes the Civil Aviation Authority as the licensing authority for approving leases under Article 13 of UK Reg (EC) No. 1008/2008.

Air Operations Regulation – UK Reg (EU) No. 965/2012

ORO.AOC.110 provides that any lease must be approved by the CAA.

ORO.OPS.110(a)(2) provides that the CAA shall approve a lease agreement when satisfied that the operator certified in accordance with Annex III complies with ORO.AOC.110(c) for wet lease-in of an aircraft from a third operator.

ORO.OPS.110(b) provides the grounds whereby a wet-lease agreement shall be suspended or revoked.

AMC1 ARO.OPS.110 provides that the CAA should only approve a wet-lease in agreement if the routes intended to be flown are contained within the authorised areas of operations specified in the AOC.

AMC2 ARO.OPS.110 provides that the CAA may approve third country operators individually or approve a framework contract with more than one third country operator in anticipation of operational needs or to overcome operational difficulties taking into account the conditions defined in Article 13(3) of Regulation (EC) No 1008/2008.

Air Navigation Order 2016 – Article 250 permit

All non-UK air carriers, including EU, EEA and EFTA operators, that wish to undertake commercial services to, from or within the United Kingdom are required to hold a Foreign Carrier Permit (and Article 250 permit) before that flight is undertaken.

Third Country Operator Certificate - UK Reg (EU) No. 452/2014

Regulation 452/2014 requires all Third Country Operators to hold a 'UK-Part-TCO', issued by the CAA prior to undertaking any commercial flight to, from or within the United Kingdom and associated areas.

With effect from 1 January 2023 all Third Country Operators that wish to undertake such commercial services must hold a full UK Part TCO. The CAA no longer recognise EASA TCO approvals.

Ops Ban / Identify of the operating air carrier - UK Reg (EU) No. 2111/2005

Article 11 requires UK air carriers to inform their passengers of the identity of the operating air carrier or carriers.

Insurance Requirements for Air Carriers and Air Operators - UK Regulation (EC) 785/2004

Article 6 and 7 define the minimum level of insurance cover required for all air carriers and air operators.

Official Record Series Documents

The main provisions of leasing policy are set out in the CAA Official Record Series documents. In summary:

- **ORS1 – Schedule 7** publishes the Notice of the Secretary of State’s decision on where an UK aircraft should be registered. The Secretary of State decided that ‘aircraft used by an air carrier that holds an operating licence issued by the CAA are to be registered in the UK national register.’
- **ORS4 1625 - General Approval for Wet Lease-in Agreements in Exceptional Circumstances** - sets out the basis upon which UK carriers can wet lease in aircraft at short notice to cover exceptional circumstances, for example technical failure. This approval is limited to three 24-hour periods in any rolling 12-months, unless the CAA agrees to the approval being “reset”.
- **ORS4 1626 – General Approval for Leasing Agreements Entered into by a UK Air Carrier** - sets out the basis upon which UK air carriers can wet lease in aircraft to cover general day to day operations, for example to cover maintenance in UK carrier’s own fleet.
- **ORS4 1455 – Acceptance of EASA Part-FCL Licences for Aircraft Registered in an EASA Member State and Wet Leased to a UK AOC Holder**

White List Process

The White List is a list of pre-assessed wet lessors (or company “White List”). This company “White List” is not approved by the CAA, but is owned and maintained by the UK AOC Holder.

Links to Regulations and Documents

Links to the relevant Regulations and Documents can be found below:

Links to Regulations

- [UK Air Navigation Order 2016](#) – (Air Navigation Order 2016/765)
- [UK Statutory Instrument 2009 No 41](#) – (Operation of Air Services in the Community SI 2009/41)
- [UK Reg \(EU\) No. 965/2012](#) - (Air Ops regulation)
- [UK Reg \(EC\) No. 1008/2008](#) - (Airline Operations Regulations)
- [UK Reg \(EU\) No. 2020/723](#) – (Aircrew regulations – [acceptance of third-country certification of pilots and amending Regulation (EU) No 1178/2011])
- [UK Reg \(EU\) No. 1321/2014](#) – (Continuing Airworthiness)
- [UK Reg \(EU\) No. 748/2012](#) - (Initial Airworthiness)
- [UK Reg \(EU\) No. 2018/1139](#) - (the Basic Regulation)
- [UK Reg \(EU\) No. 2111/2005](#) – (Ops Ban / Identify of the operating air carrier)

- [UK Reg \(EU\) No. 785/2004](#) – (insurance requirements for air carriers and aircraft operators)
- [UK Reg \(EU\) No. 452/2014](#) - TCO Third Country Operators

Official Record Series

- [ORS1 – Schedule 7](#)
- [ORS4 1625 - General Approval for Wet Lease-in Agreements in Exceptional Circumstances](#)
- [ORS4 1626 – General Approval for Leasing Agreements Entered into by a UK Air Carrier](#)
- [ORS4 1455 – UKCAA Exemption](#)