

# Cost sharing flights: guidance and information

CAP 1590



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#### Introduction

- 1. This information is intended to provide guidance for when the actual direct costs of a passenger transport flight may be shared between the occupants of an aircraft without having to comply with the regulations applicable to Commercial Air Transport (CAT) or Public Transport (PT) flights.
- 2. This information supersedes that given on 'cost-sharing' contained in IN-2015/029.
- Under <u>Commission Regulation (EU) No. 965/2012 (EASA Ops)</u>, a flight for the transport of passengers, for which remuneration (payment) or other valuable consideration has been made, is defined as a CAT flight. Under the <u>Air</u> <u>Navigation Order 2016 (ANO)</u>, similar circumstances exist where the flight would be defined as a PT flight.
- 4. If a flight is CAT or PT, the operator must have an Air Operator's Certificate; the pilot must hold at least a Commercial Pilot's Licence; and the aircraft must be certificated and maintained in accordance with the appropriate requirements.
- 5. EASA Ops includes a derogation at Article 6.4(a) that allows a flight that would otherwise be a CAT flight to be flown in accordance with the operating rules for non-commercial flights subject to specific conditions. The conditions are that:
  - The flight is a cost-shared flight by private individuals;
  - The actual direct costs of the flight must be shared between all the occupants of the aircraft, including the pilot, up to a maximum of 6 persons; and
  - Only other-than complex motor-powered aircraft may be used.
- 6. Article 13 of the ANO also allows cost-sharing for what would otherwise be a PT flight but is not in full alignment with the EASA Ops rules. In order to provide equivalence with EASA Ops the CAA has issued a <u>General Exemption</u> (ORS4 No.1274) which aligns with the EASA Ops derogation.
- 7. A guide for GA has been produced as <u>CAP 1589</u>.

#### Scope

- 8. The cost-sharing arrangements apply to other-than complex motor-powered EASA aircraft operating under the EASA Ops and in accordance with Regulation (EC) No.216/2008 (the Basic Regulation). This includes aircraft registered outside of the EASA area but operated by an operator established or residing in the Community subject to paragraph 14 below.
- 9. Similar alleviations in accordance with Article 13 of the ANO, or the General Exemption mentioned above, permit cost-sharing in non-EASA aircraft which are registered in the UK.

#### Guidance

- 10. The cost-sharing derogation to EASA Ops does not prevent the promoting or advertising of cost-shared flights. This is also the case with non-EASA aircraft flights under the General Exemption mentioned above.
- 11. The promotion of flights can include the use of online 'flight sharing' platforms.
- 12. It is recommended that any promotion of cost-sharing should inform potential passengers of the safety levels of General Aviation flights with light aircraft as compared to those of CAT operations.
- 13. Passengers should be made aware that the pilot may amend or cancel the flight for any reason, including at short notice and is under no obligation to complete it.
- 14. The proportion of the costs that must be shared by the pilot is not specified in the cost sharing derogation nor in the General Exemption; however, the pilot must make a contribution to the actual direct costs of the flight being conducted.
- 15. Aircraft registered in a Third Country (e.g. the Isle of Man, Jersey, USA) are required to comply with the relevant EASA Ops rules if based in an EASA Member State. However, they may also be required to abide by the regulations of the State of Registry which may prohibit conducting such cost-sharing flights.
- 16. The term 'Private Individual' in the context of cost-shared flights, refers to pilots, who may also be the operator, and who must be a private individual, i.e. not an organisation or company etcetera.

### **Explanation of terms**

- 17. 'EASA aircraft' means an aircraft which is required by the Basic Regulation and any implementing rules adopted by the European Commission in accordance with that Regulation to hold an EASA certificate of airworthiness, an EASA restricted certificate of airworthiness or an EASA permit to fly.
- 18. 'non-EASA aircraft' means an aircraft which is not required by the Basic Regulation and any implementing rules adopted by the European Commission in accordance with that Regulation to hold an EASA certificate of airworthiness, an EASA restricted certificate of airworthiness or an EASA permit to fly and is generally covered by Annex II to the Basic Regulation.
- 19. Article 6.4a of EASA Ops applies to other-than complex motor-powered aircraft and describes cost-sharing as: 'cost-shared flights by private individuals, on the condition that the direct cost is shared by all the occupants of the aircraft, pilot included and the number of persons sharing the direct costs is limited to six.'

- 20. A 'complex motor-powered aircraft' means:
  - i) An aeroplane:
    - With a maximum certificated take-off mass exceeding 5,700 kg; or
    - Certificated for a maximum passenger seating configuration of more than 19; or
    - Certificated for operation with a minimum crew of at least two pilots; or
    - Equipped with (a) a turbojet engine(s) or more than one turboprop engine; or
  - ii) A helicopter certificated:
    - For a maximum take-off mass exceeding 3,175 kg; or
    - For a maximum passenger seating configuration of more than 9; or
    - For operation with a minimum crew of at least two pilots; or
  - iii) A tilt rotor aircraft.

A 'non-complex motor-powered aircraft' or 'other-than complex motor-powered aircraft' (which includes sailplanes and balloons) should be construed accordingly.

- 21. GM2 Article 6.4a(a);(b) Derogations 'Direct cost' means the cost directly incurred in relation to a flight, e.g. fuel, airfield charges, rental fee for an aircraft. There is no element of profit.
- 22. GM3 Article 6.4a(a);(b) Derogations 'Annual cost' means the cost of keeping, maintaining and operating the aircraft over a period of one calendar year. There is no element of profit.
- 23. The ANO contains similar definitions at Schedule 1 which are also to be used with the General Exemption:
  - 'direct cost' means the cost (excluding any element of profit) directly incurred in relation to a flight, including –
    - (a) The cost of fuel;
    - (b) Any charges payable in respect of the use of any airfield in connection with the flight; or
    - (c) Any rental or hire fees for the use of the aircraft.
  - 'annual cost', in relation to the operation of an aircraft, means the cost (excluding any element of profit) of keeping, maintaining and operating the aircraft over the period of one year.

- 'non-commercial flight' means a flight which is not a commercial operation flight, a public transport flight or a flight for the purpose of commercial air transport.
- 'valuable consideration' means any right, interest, profit or benefit, forbearance, detriment, loss or responsibility accruing, given, suffered or undertaken under an agreement, which is more than a nominal nature.