

Business Aviation in the Middle East

The Present Picture

What exactly is the state of Business Aviation in the Middle East? After a tumultuous few years globally, much speculation exists as to what the future of the industry holds. However, judging from the figures, Middle East BizAv is booming, with further investment forecast and development planned for the coming years.

Here is a reliable resource for operators with advice and information about the region to give the inside track on planning your trip into, and out of, the Middle East.

Industry Overview

Middle Eastern aviation's growth potential is massive, the business aviation market has more than doubled over the past five years. Yet, even with all of this impressive growth up to now, the industry continues to boom. In fact, MEBA - the Middle East Business Aviation Association – predicts that business aviation in the region will experience a massive growth spurt – up to 152 percent in the next five years. In monetary terms this equates to an impressive difference of \$1.3 billion from \$515 million. This forecast leap can be attributed to the region's location and connectivity strengths, the rise in corporate travel and the growing popularity of private aviation. The same goes for commercial aviation. Last year, Dubai International Airport overtook London Heathrow as the world's busiest airport in terms of the number of international passengers. In September 2014, Dubai Airports announced a Dh117.69 billion Dubai government-approved expansion of Al Maktoum International – Dubai World Central - that will increase capacity to 120 million passengers a year.

In the past decade, the number of high net-worth individuals HNWI in the Middle East increased by 136%, and this number continues to rise. In the UAE alone, the amount is set rise by 53% during the next decade. Also, the world economy demands fluidity - the Middle East has become a global business hub attracting business travelers and VIP clientele. For these reasons, the regional aviation industry has become a highly competitive market, and as demand rises, so do standards and expectations.

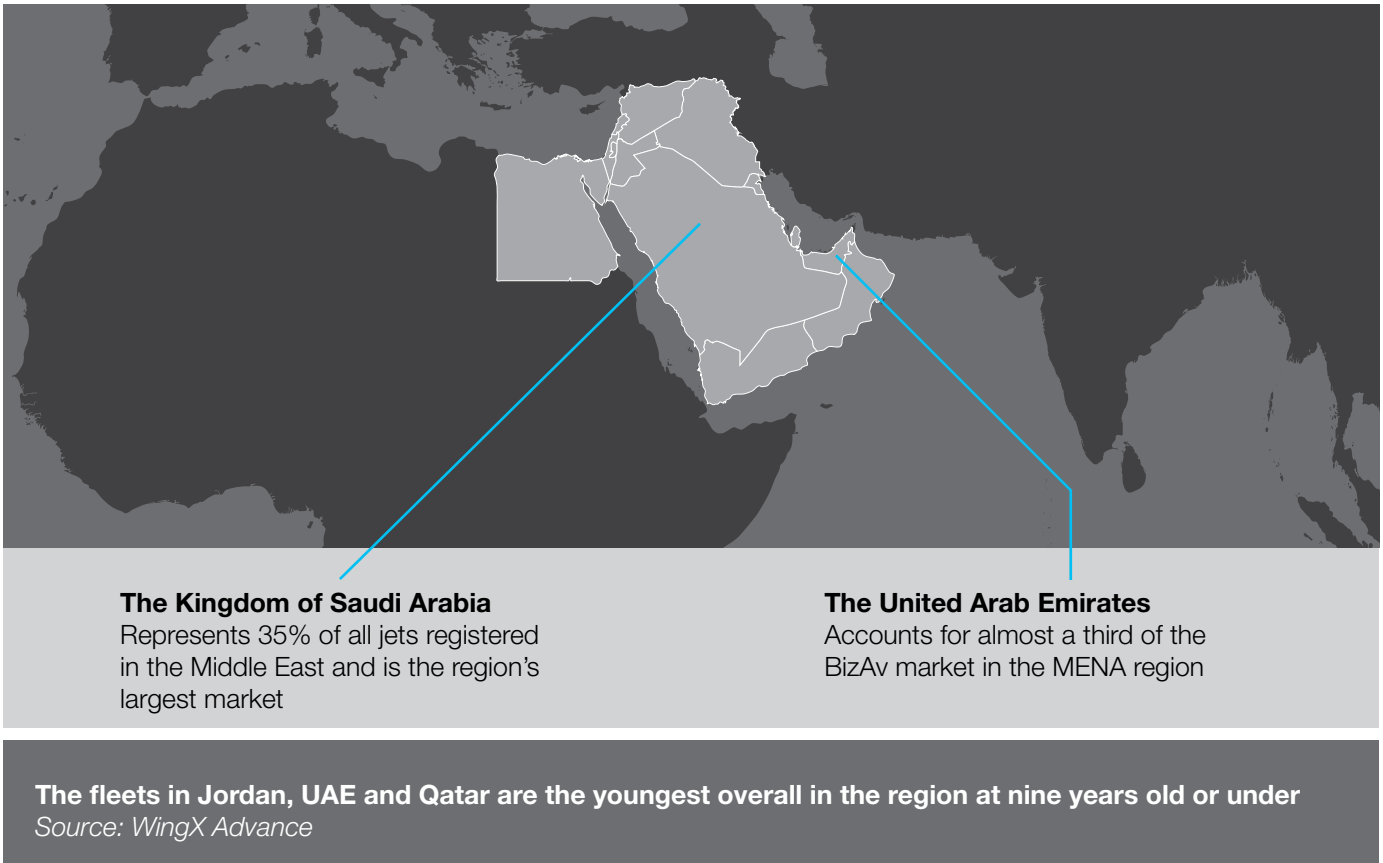


The future of the industry will be shaped by many factors. Increased globalization results in the need for international connectivity and increased ease of transition, the need for support on the ground across the globe, as well as working knowledge of the different and changing rules and regulations. Also, airport capacity will be a huge issue. Securing landing slots at international airports may become increasingly difficult with the growth of the sector and the size of the fleets. This means that competition will increase further and gravitas and bargaining power will dictate the best opportunities. Increased air space congestion, the grey market and ongoing political issues also represent major challenges.

Fleets

There has been much recent speculation about the present state of the industry and growth of the regional fleet, particularly in the short-term. According to Honeywell's Aviation Outlook, the share of projected five-year global demand attributed to the Middle East and Africa region moved below its historical range of 4 to 7 percent this year. This could be attributed to the political issues continuing in certain parts of the Middle East, as well as the effects of dropping oil prices.

Meanwhile, regarding fleet expansion, Embraer predicts the Middle Eastern market for new business jets to fill the requirements of private aviation to be around \$10 billion over the next ten years. According to Bombardier's Market Forecast 2015-2024, there will be an average economic growth of four percent per year, a fleet compound annual growth rate of seven percent, and 400 deliveries between now and 2024, amounting to revenue of \$15 billion USD. This massive growth is predicted to continue further to reach 1,405 by 2033, meaning an equivalent fleet CAGR of seven percent over the forecast period. It also states that 50 percent of these forecast revenues are expected to be in the large size category and worth in the region of USD 18 billion. Indeed, heavy jets account for over 70 percent of the regional fleet.



Aircraft Safety

Safety and security are paramount, and at the core of every attempt to improve the provision of business aviation services. Optimal safety standards are maintained by the issuing of certificates of airworthiness (AOC) and safety checks performed by engineers on a daily basis. Regular scheduled maintenance takes place at certified maintenance centers, and this can ground aircraft for up to seven days, impacting fleet availability. The high safety expectations also result in aircraft less than ten years old being preferred in terms of air charter demands.

Air Charter

Air charter client demands remains consistent. A prompt response to enquiries and the availability of the right aircraft is vital. Clients also state their preferred routes which demands quality flight planning and the ability to secure all permits necessary. Other critical factors include a satisfactory price and the capacity to accommodate itinerary changes successfully without impacting the original price. (Itinerary changes can be best handled if a charter company has an in-house Ops Center). Other client expectations include the global availability of English-speaking crew and adequate pilot experience, with some clients expecting information on total hours and language fluency.

The grey market represents a major threat to safety standards and liability, as well as operators providing air charter services in the market. Private aircraft owners that do not have air operator's certification are conducting charter flights and are often undercutting the prices of legitimate operators. The problem is more endemic in the Middle East than in other regions globally, according to industry experts. They estimate that it could equate to at least 20 percent of the overall business jet market. This results in less market growth because of unfair competition, as well as representing significant risks for crew and passengers due to insurance issues.



Like operators, charter companies' challenges surround slot and parking shortages, seasonal demand, and political upheaval that results in geographic limitations.

MROs

The strategic and commercial value of the Middle East as an aviation hub is further validated by the presence and investment of MROs in the region. For example, Lufthansa Technik Middle East is currently developing a new state-of-the-art operational facility at Dubai World Central (DWC), and this investment of MROs in the region is set to continue. Indeed, when considering the recent establishment of dedicated units by the region's major commercial airlines such as Emirates Executive (Emirates), Saudia Private Aviation (Saudi Airlines) and Qatar Executive (Qatar Airways), a lot more MRO facilities will be necessary to support increased fleet numbers. Industry experts maintain that service providers will continue to establish themselves within the region, with the ongoing development of Dubai World Central (DWC) Airport providing a perfect location.

The increasing popularity of MRO-focused events such as Aircraft Interiors Middle East and MRO Middle East go a long way to reinforce the fostering of growth in the region, as well as the development of cutting-edge technology taking place here.



Industry Advocacy

Tireless work on the part of local authorities and organizations to promote the vitality and importance of business aviation, both as an economic driver and a commercial support structure, has resulted in a strong awareness amongst the general population.

The efforts of the Middle East Business Aviation Association (MEBAA), for example, have significantly contributed to the promotion of the industry both at home and worldwide. Focusing on communicating the concerns of operators and suppliers to regional governments, MEBAA aims to influence state attitudes and regulation for the betterment of the industry. Another important part of its work is the constant improvement of standards and service quality among its members by establishing codes of conduct and running training courses to ensure professional development.

Another indicator of the strength and possibilities of the industry in the Middle East is the massive popularity and increasing importance of the Dubai Airshow. Since its inception in 1989, it has become one of the top five international aviation shows, drawing attendees from all corners of the world.

Top Tips for Flying into The Middle East

When it comes to flying into the Middle East, it is vital to prepare well in advance due to the many differing procedural policies of the various countries. On price-comparison levels, costs vary depending on required services, aircraft specifications, seasonality, and global economic conditions.

Visas

Being informed about visa requirements is vital when planning a trip to the Middle East. With many different countries with many different rules for different nationalities, as well as individual requirements for supporting documentation, it is not difficult to make a single mistake that could have one of your crew unable to enter or exit a country, thereby jeopardizing your entire trip. Some nationalities can obtain visas on arrival in certain jurisdictions, whilst it is necessary for others to plan ahead and secure the visa prior to travelling.

For example, visitors to Iran must obtain a visa from an Iranian diplomatic mission prior to arrival, unless they come from one of the visa exempt countries or countries eligible for visa on arrival. Even with a visa, all visitors must hold a passport valid for a remaining six months at least. Another example of a different approach is Iraq. It is crucial to get a visa ahead of time for any nationality wishing to enter Iraq, with the one exception of Turkish citizens. The visa application process involves a lot of time and red tape and even if you are granted a visa, you may be refused entry once you arrive in Iraq. Differing greatly from this is the United Arab Emirates where all citizens of the Gulf Cooperation Council and the Schengen area do not require a visa to enter and travel freely with the UAE. Whereas citizens of some other countries can obtain a 30-day visa on arrival without being charged. Hence the importance of checking about your destination's regulations well ahead of time when planning your trip.

It is critical to investigate requirements early- check with embassies on behalf of your passengers and crew or, particularly if time is of the essence, let your trip support provider take care of the job.

Always consider the following:

- What visas are required by your crew and passengers by country?
- What are the processes to attain these visas?
- What supporting documentation is required?
- What are the different lead-times by country?
- What is the maximum validity and repercussions of overstaying?














Crew visas can be granted on arrival in the majority of destinations, though this should be confirmed in advance.



Routes and Permits

Complex political situations and conflicts in the region have a massive impact on the route options for missions in and around the Middle East. Therefore, great care must be taken to plan accordingly, and the latest NOTAMS and Foreign Office advisories should be scrutinized constantly.

Generally, landing permits are required all over the region, with lead-times differing from country to country, and depending on the purpose of your flight. As a rule of thumb, it is advisable to allow ten days to avoid any inconvenient surprises. For example, if your planned airport of arrival changes, this must be amended prior to your departure for the Middle East. For these reasons, it is highly advisable to work with a trip support provider who knows the region and has the relevant ground support to help you.

Country	Average Lead time Overflight Permits	Average Lead time Landing Permits
1  Bahrain	PVT:24hrs COM:24hrs	PVT: 48 to 72 hrs COM:48 to 72 hrs
2  Egypt	PVT: 24hrs COM: 24hrs	PVT: 24 to 48hrs COM:48hrs Landing permit with handling request.
3  Iran	PVT:24hrs – 48hrs COM:24hrs – 48hrs	PVT: 48 to 72hrs (invitation letter require) COM: 48 to 72hrs (invitation letter require)
4  Iraq	PVT: 24hrs COM:24hrs	PVT: 03 to 05 working days (docs require) COM:03 to 05 working days (docs require + noc from iraqi airways) For landing royalty is applicable
5  Jordan	PVT: 24hrs COM:24hrs	PVT: 48hrs COM:48hrs
6  Kuwait	PVT:48hrs COM: approval based on case by case as normally caa advz for commercial operation airlines needs to apply directly	PVT: 48hrs COM: approval based on case by case as normally caa advz for commercial operation airlines needs to apply directly
7  Lebanon	PVT: 24hrs COM:24hrs	PVT: 24 to 48hrs (a/c docs) COM:48hrs (a/c docs)
8  Oman	PVT: 24hrs COM:24hrs	PVT: 48hrs (docs require) COM:48hrs (docs require)
9  Qatar	PVT: 24hrs COM:24hrs	PVT: 24 to 48hrs (invitation letter require) COM: 24 to 48hrs (invitation letter require)
10  Saudi Arabia*	PVT: 24hrs COM:24hrs	PVT: 24 to 48hrs COM: 48 to 72 hrs
11  Syria	PVT:24hrs COM:24hrs	PVT: 24hrs COM:24hrs
12  United Arab Emirates	PVT: not require COM:not require	PVT: 24hrs (docs require) COM:48 to 72 hrs (doss require)
13  Yemen	PVT: 24hrs COM:24hrs	PVT: 48 hrs COM:48hrs

* An invitation letter is generally required to obtain landing permits in Saudi Arabia as per GACA rules and regulations; but sometimes permits can be obtained without an invitation letter if the passenger or cargo details, receiving party name/contacts and all aircraft documents are available.



Traffic and Congestion

Departing from, or landing in, some of the main international hubs can be complicated by a range of circumstances completely out of an operator's control. Experiencing traffic and heavy congestion has become a part of flying.

Dubai International Airport – DXB

- DXB is currently operating at 97% capacity on a daily basis. This means that peak times are constant around-the-clock.
- In the event of ATC traffic being reduced, the airport remains at capacity based on number of aircraft on ground.
- However, Al Maktoum International Airport - DWC - still remains underutilized, with great flexibility for parking and slots.

Saudi Arabia

- There is plenty of parking space to accommodate as many flights as required.
- Saudi Airports are not slot coordinated airports.

Muscat International Airport – MCT

- Peak hours are 0445 to 0815 UTC and 1700 to 2200 UTC, during which non-scheduled flights cannot be accommodated.
- All long term/overnight aircraft parking will be based at the north apron (non-serviced).
- Aircraft movement between north/south (and vice-versa) will be at the discretion of ATC controller and this is subject to the available traffic.
- Aircrafts shall be serviced at the south apron (serviced apron) prior departure and/or after arrival.
- Aircraft movements between north/south apron (and vice-versa) will have to be towed or escorted by a 'follow me' vehicle.
- Additional escort charges for 'follow me' services may be applicable.

Traffic and Congestion

With the Gulf Cooperation Council; (Saudi Arabia, Kuwait, Bahrain, Qatar, the United Arab Emirates and the Sultanate of Oman), ground handling is provided to a very high standard.

In the case of there not being any FBOs facilities, like in some smaller regional airports, services for larger aircraft will come via or in partnership with commercial airlines. Therefore, speed of service may also be affected if schedules conflict with commercial flights. Catering is generally at a high standard, however, please be mindful that in respect of Islamic tradition, pork products and alcohol are often restricted.

Supervisory support on the ground is highly recommended, particularly for countries like Pakistan, Turkmenistan and Afghanistan, but also for the likes of Dubai and Bahrain. A local supervisor will ensure the smooth passage of VIP passengers and flight crew through the formalities of the given country.

Here are some more vital tips for ground considerations in the Middle East

- Trip support providers can arrange credit handling and fuel in virtually any location with sufficient notice, this is particularly vital as cash is still required in many smaller airports.
- It's also advisable to allow extra time for crew reporting to account for unforeseen delays with customs, immigration and other formalities.
- Protocols and etiquette must be fully respected when dealing with any officials or support staff at Middle Eastern airports, particularly in Saudi Arabia where female crew must dress modestly and wear the hijab or head-covering for flights to Medina.
- In all locations pilots and crew should expect to always operate in full uniform regardless of the nature or type of flight.

Safety and Security

Once again, political instability is a defining factor in choosing the right security for your trip, as is the safety of the country generally. It's highly inadvisable, and sometimes impossible, to travel to any conflict zone for tourist or business interests. If a country is known to be potentially dangerous, time should be afforded at the planning stage for any potential delays that could occur, such as roadblocks for example.



FBO and VIP Facilities

There are some fantastic FBOs and VIP lounges offered in the GCC and current FBOs.



Photo: DC Aviation at DWC, Source DC Aviation website

DC Aviation at DWC - DC Aviation Al-Futtaim's (DCAF) purpose-built integrated hangar facility at Al Maktoum International Airport offers the shortest distance from drop-off to aircraft steps, 24/7 on-site immigration, customs, and security facilities.

Dhahijet at Abu Dhabi Al Bateen Airport - The crew and flight operations center is located beside the executive terminal and provides crew amenities such as relaxation and sleep rooms, and showers, as well as new flight planning facilities.



Photo: GAMA Aviation Sharjah FBO, Source GAMA Aviation website

GAMA Aviation FBO, Sharjah International Airport - GAMA's FBO is conveniently located close to downtown Dubai and just kilometers away from Ajman, Umm Al Quwain, Ras-Al-Khaimah and Fujairah.

Jet Aviation at DXB - The two story Jet Aviation FBO facility offers customer and pilot lounges, a conference room and duty-free shop, as well as immigration and customs.

Qatar Executive Doha - This FBO offers VIP service, expert flight support, fuel arrangement, and parking.

New Airport at Salahah, Oman - the new terminal means an expanded capability of up to 1 million passengers annually. Salahah is located 1,000km from the capital Muscat, and is being developed for tourism.

Always consider the following:

Climate

The temperature in the Middle East can reach up to 50 degrees during the peak hours of midday to midafternoon during the summer months.

How UAS can assist you on operations to the Middle East

Last-minute organization and quick turnaround:

- Direct-to-the-Source Permit Acquisition, on-site supervisors to liaise with vendors

Security and discretion:

- Strict employee non-disclosure agreements, database security systems adhering to top international standards

International connectivity:

- A global network and ground presence that can ensure access to the most remote stations

Fuel competitiveness:

- Large-scale fuel tenders and long term purchase arrangements with fuel suppliers which puts downward pressure on the price you pay

On-site assistance to manage unexpected scenarios:

- Local station managers, on-site supervisors with agent ramp access available

Constant updates on status of service:

- 24/7 customer support, web based trip management systems and applications

Special requirements/arrangements for VVIP/Heads of States:

- Knowledge of specific protocols and procedures, liaising with Civil Aviation Authority, Ministry of Foreign Affairs and necessary entities to ensure specific regulations are met

No need for your crew to carry cash:

- Settlement of NAV fees, on the ground credit facilities, service/fuel cards



International Trip Support

About UAS:

UAS International Trip Support is a leading global trip support provider, trusted by Heads of State, VVIPs, Fortune 500 companies and business jet operators worldwide. With a global network that includes continental headquarters in Houston, Johannesburg, Hong Kong and Dubai, regional offices in Lagos, Nairobi, Beijing and New Delhi and station managers at 23 global locations, we offer clients unrivalled connectivity while taking care of every possible need. Named 'Ground Service Provider of the Year' at the Aviation Business Awards 2014, our record of operational excellence for our clients is unparalleled. Our experienced international industry experts provide 24/7 support, executive travel and air charter services.

Services Include:

Trip Support Services

Flight Plans | Weather Services | Overflight and Landing Permits | Ground Handling | Catering | Fuel | Crew Services

Aircraft Charter Services

Private Jet | Group Jet | Commercial Aircraft | Air Ambulance | Helicopter

Executive Travel Services:

Hotel Booking | VIP Transportation | Airport Meet and Assist | Air Ticketing | Visa Assistance | Security Services | Concierge Services

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