

**AsBAA HONG KONG COMMITTEE**

**MEETING MINUTES OF 22 JANUARY 2018**

**At 0930 hours at Bombardier Customer Support Office**

Chair: Phil Balmer - AsBAA HK Chair/TAG Aviation Asia (PB)

Present:	Jenny Lau - AsBAA BoD/SinoJet (JL)	Chris Barrow - HKBAC
	Mike Walsh - AsBAA BoG/Asia Jet/HK Jet (MW)	Chris Phillips - Air Charter Service
	Sarah Kalmeta - AsBAA BoG/Universal (SK)	Patrick Jackson - Pireas
	Peter McCullough - Pillsbury	Bruce Watson - Metrojet Ltd
	Alastair Long - Holman Fenwick Willan	Aljoscha Subasinghe - Asia Flight Service
	Christian Mosebach - Asia Flight Services	Denis Portier - Gama Aviation
	Vince Moore - Gama Aviation	Carol Lam - Jet Aviation Business Jets
	William Holmden - Gama Aviation	David Wearmouth - Gama Aviation
	Johnny Lai - ASA South China Ltd	Ronny Young - L'Voyage

Minutes taken by Cathy Chiu - AsBAA (CC)

<b>1. Opening Remarks by: Vice Chairperson &amp; Board of Governors</b>		
Phil Balmer (PB) and Jenny Lau (JL) welcomed everyone to the meeting, and thanks Bombardier for hosting the meeting.		
<b>2. Minutes of Previous Meeting</b>	Responsibility	Due Date
The Previous Minutes: 6 December 2017 - Accepted	All -Info	N/A
<b>3. Matters Arising</b>		
<b>a) Hong Kong International Airport - Strategy for handling future traffic growth</b>		
<b>i) HKIA Slots and Parking – Update</b>	PB	Feb
Phil Balmer - On 22 <sup>nd</sup> Dec 2017 a letter was sent from AsBAA Chairwoman Jenny Lau to Mr Frank Chan Fan, Secretary for Transport and Housing, Transport and Housing Bureau, again highlighting our concern over slot allocation at HKIA for BA. The opening point being: HKSCO (Hong Kong Slot Coordination Office) confirmed in writing that they indeed apply an IATA slots guidelines policy <a href="http://www.iata.org/policy/slots/Pages/slot-guidelines.aspx">http://www.iata.org/policy/slots/Pages/slot-guidelines.aspx</a> at VHHH, which gives slot priority preference in the order of Scheduled Airlines, Air Cargo carriers and lastly to General & Business Aviation (GA/BA) non-scheduled operators, owners usage and service providers.		

ASBAA's goal is to eventually achieve a 'ring fence' around business aviation slots at HKIA.

The 8<sup>th</sup> Meeting on GA/BA Slot Management at HKIA was held on 11 Jan 2018. Generally speaking, this meeting had a calmer environment than it did a year ago, where the atmosphere was tense at times. Some of the key data from the meeting was as follows:

Sep to Dec 2017:

- Total GA/BA movements: 2,350 (Average of 587 slots per month, or roughly 19 movements per day.)
- Number of different aircraft operated: 412
- Number of operating misuses: 310 (13.2%)
- Number of aircraft operating with penalty points: 239 (58%)

Most of these misses due to:

- "Operation at a time significantly different from the confirmed runway slot" (305)
- "Cancellation of confirmed runway slot or parking stand booking less than 2 days in advance of the aircraft confirmed slot time" (152)

These represent 95% of the misuse events, and both of these misuse events are only 1 penalty point.

Slot availability:

November 2017: Average Day: 24.7 / Night: 7.0 = 31.7 slots per day.

December 2017: Average Day: 16.9 / Night: 7.9 = 24.8 slots per day.

(This equates to an average of 28.25 slots per day)

Based on the actual slots used by BA in Nov and Dec, which was an average of 19 slots per day, our 'take up rate' is about 67%.

The result of an AsBAA survey and stated that out of the 13 members who had responded, an average of 3.5 operations were cancelled per member from 14-31 December due to no slots available. (Raised by Mike Walsh in the meeting)

The authority seemed to be happy with the performance of the business aviation, and the key points that they seemed to be trying to communicate to the industry during the meeting were - Don't hoard slots. (They Showed examples of repetitive slot bookings day after day for an aircraft which never actually operated, and two slots booked on the same day with the same tail number.)

<p>They also seemed to be conveying the message that our 'take up' rate of available slots is rather low. PB asked the attendees "Does anyone think the numbers of available slots per day for BA seem high? Could it be that the last-minute slots which are being put back in the system are also being counted in this figure"? There was a general agreement that the number of available slots per day did seem high.</p> <p>PB asked the attendees, "What do we believe are the reasons that in pure data terms, our take up rate is only 67%"?</p> <p>General feedback:</p> <ul style="list-style-type: none"> <li>- Not all aircraft types are allowed to operate at night.</li> <li>- Nobody wants slots late at night. (Early hours of the morning)</li> <li>- Obviously here are cancellations (Which is the nature of our industry.)</li> </ul> <p>MW commented that OCS users holding T-slots that they no longer require, can now manually return them via an email to the Slot Coordination Office, or via the help me function, without penalty. This will let others obtain the slot rather than having to wait until it expires, therefore saving 24 hours in the process, which helps other users locate an unused T slot. We were unaware until the last GA/BA slot meeting that this was possible, where HKCAD confirmed this is the case.</p> <p>PB: BAPS has been updated with the following new features since 28 Nov 2017:</p> <ol style="list-style-type: none"> <li>1. Revision of Arrival UIDs</li> <li>2. Split Booking</li> </ol> <p>PB: The authority did not appear to be very happy with the low uptake on the Split Case Requests (There were only 13 in December = 2% of all bookings) although those are 13 trips that could have been missed (and unhappy owners), so we believe this was a successful enhancement.</p> <p><b>ii) Long term strategy for overflow of HKIA business aviation traffic - Update</b></p> <p>PB: Further follow up is required with Transport and Housing Bureau.</p>	<p>PB</p>	<p>Feb 2018</p>
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<p><b>b) Regional updates</b></p> <p><b>i) China Chapter Meeting</b></p> <p>JL gave an update: China Committees being shaped up as the area is large. AsBAA can offer some communication channels in China and local government.</p>	All - For info	N/A
<p><b>c) Events</b></p> <p><b>i) Philippines Chapter - High-Level Site Visit and Investment Trip (24-26 Jan 2018)</b></p> <p>Will include a meeting with CAAP Director General and MIAA General Manger in Manila.</p> <p>Site visit to Clark Airport - Briefing about Clark International Airport Cooperation facility and master plan.</p> <p>Site visit to Subic Airport - Briefing with Subic Bay Metropolitan Authority.</p> <p>We are basically at capacity now, and are expecting a productive trip.</p> <p>The event will provide participants with a first-hand and in-depth view of the future plans for BA/GA and how to be more involved in the future of the industry. In this high-level visit, business leaders will have the opportunity to obtain details about existing facilities, the plans for the future, and the investment climate for BA/GA in the Philippines.</p> <p>PB commented that one of AsBAA's key goals for this trip is to build the contacts and relationship with the authorities and airport management teams, to ensure that AsBAA is consulted for future infrastructure development, and development of regulations.</p> <p><b>ii) AsBAA CEO Series Lunch (9 Mar 2018)</b></p> <p>It will be held at The Hong Kong Club, 1 Jackson Rd, Central, Hong Kong.</p> <p><b>Event Theme:</b> What is the Central Government's thinking on the future direction of civilian air transportation and airfield connectivity versus SAR Government's thinking? Are the two powers willing to collaborate? Will Beijing need to intervene? Or will they simply allow competitive market forces to play out? What can trade organisations like AsBAA do more of to influence Government policy?</p>	All - For info	N/A
	All - For info	N/A

<p><b>Speaker:</b> Jason Ni - Assistant Professor at City University of Hong Kong</p>		
<p>iii) <b>ABACE 2018 (17-19 Apr 2018)</b> SK is working on Discovery Day agenda. Education sessions: AsBAA facilitating for NBAA once again.</p>	All - For Info	N/A
<p>iv) <b>'Pilot to Pilots Talk'</b> AsBAA and Airbus are working together to try and setup an event for Pilots during the first quarter 2018.</p>	All - For Info	N/A
<p>v) <b>AsBAA Icons of Aviation Awards (IOA2018) - 10 Nov, HKG</b> <b>Theme:</b> James Bond - Diamonds in the Sky Sponsorship is now open. If you are interested, please get in touch: <a href="mailto:info@asbaa.org">info@asbaa.org</a></p>	All - For Info	N/A
<p>vi) <b>Shenzhen meeting with government</b> MW advised that Jo Yiu met with Shenzhen Airport Authority and there is encouragement from their side for welcoming BizAv traffic, however they will have a limit on parking bays. <i>Action item - to do</i> - HK &amp; China Chapter need to make best efforts to try and create a regular engagement meeting with CAAC Southern office Guangzhou &amp; Shenzhen/Guangzhou Airport Authorities to address member's issues in operating to and from Shenzhen/Guangzhou especially for foreign registered aircraft as it becomes a regular alternate to VHHH. Strong &amp; regular Communications is a key objective with a structured agenda.</p>	All - For Info	N/A
<p>vii) <b>NBAA International Operators Conference 26 - 29 Mar 2018, Las Vegas</b> SK will speak to educate foreign operators on Asia.</p>	SK	Feb
<p>viii) <b>Zhuhai Airshow - 6 Nov or 8 Nov 2018</b> Possibility to host education session/panels. Focus on Greater Bay Area. MW in discussions.</p>	MW	Feb
<p>ix) <b>Singapore Airshow - AsBAA Networking Cocktail</b> Date: 8 February 2018 Venue: Poolside, World Fuel Services, Singapore Time: 18:30L - 21:30L RSVP: <a href="mailto:info@asbaa.org">info@asbaa.org</a> Tickets: Complimentary, by invitation only, strictly limited places (AsBAA members only)</p>	All - For Info	N/A

<p><b>x) Indonesia IATEC - 22 Mar 2018</b> Date/Time: 21 Mar 2018, 0800L - 22 Mar 2018, 1400: Venue: Grand Mercure Maha Cipta Hotel Jakarta AsBAA sessions: Day 1/1330: "The Role of ASBAA and How We Work with Regulators Globally to Improve the Business Aviation Sector" - Ms. Jenny Lau, Chairperson, AsBAA Day 2/1220: "AsBAA Discovery, protecting the future of the industry by inspiring the next generation" - Sarah Kalmeta, Board of Governors member, AsBAA</p> <p>***All AsBAA members will receive discounted tickets to the event, if booked via AsBAA</p>	All - For Info	N/A
<p><b>d) AsBAA Discovery</b></p> <p><b>i. Embry-Riddle Aeronautical University Asia (ERAU Asia)</b></p> <ul style="list-style-type: none"> <li>- Will give project to students to work on</li> <li>- Summer camp program this year</li> <li>- Internship with HKBAC</li> </ul> <p><b>ii. AVIC Meeting Update</b> AsBAA Discovery event was successful held on 5 Jan 2018 in Zhuhai. Over 200 students participated.</p> <p><b>iii. HK Aviation Academy Update</b></p> <ul style="list-style-type: none"> <li>- Target 16-18 - Link up to universities in Hong Kong</li> <li>- 1,500 jobs to be created</li> <li>- Sept 2018 - Internship Program starts</li> </ul>	SK	Feb
<p><b>4. AOB</b></p>		
<p><b>a) AsBAA Membership Fee 2018</b></p> <p>AsBAA has announced its new membership fee for 2018. Below are the details:</p> <p><b>PLATINUM &amp; GROUP MEMBERSHIP - USD 8,000</b> A tier for leading industry organisations such as management companies, operators, media and service providers looking for significant brand enhancement and support with operational challenges in Greater China and Southeast Asia. Membership open to organisations of 100 employees +</p> <p><b>CORPORATE MEMBERSHIP - USD 1,700</b> A tier for mid-size organisations looking for support with B2B networking and support with operational challenges in Greater China and Southeast Asia. Membership open to organisations of less than 100 employees.</p>	All - For info	N/A

<p><b>SMALL BUSINESS MEMBERSHIP - USD 1,200</b> Membership open to business of 10 or less than 10 employees.</p>		
<p><b>b) AsBAA and ASG Partnership</b></p> <p>An arrangement has been made between AsBAA and ASG which will provide significant discounts for AsBAA members for advertising in the ASG publications as part of their AsBAA membership renewal.</p> <p>ASG's marketing services will also be utilized to create more awareness for AsBAA regionally and globally and to actively advocate the benefits of business aviation to key stakeholders such as Government, transport ministries and the media in the region.</p>	All - For info	N/A
<p><b>c) Deutsche Bank Presentation</b></p> <p>MW presented the benefits of Business Aviation and latest industry trends as well as a detailed explanation on the HK slots situation to Deutsche Bank Private Wealth management team and their Aircraft lease finance team from Greater China and European offices, and it was warmly received. MW suggests that we need to educate and advocate to influential and referral groups who regularly engage with end users, buyers and government officials. They are easy wins for us.</p>	All - For info	N/A
<p><b>d) Presentation to Malaysia Airport DCA</b></p> <p>MW updated that AsBAA has agreed on an MoU with MAHB - Malaysian Airports for us to provide advisory services as part of their master planning when it comes to new GA/BA infrastructure &amp; investment projects. This document will be signed at the SIN Airshow on 7 Feb 2018 at 11:00 at their booth and a PR will be released. It's a great blueprint for engagement with other airport authorities around the region.</p>	MW	Feb
<p><b>e) MeBAA</b></p> <p>Visit with MeBAA (Ali Al Naqbi) planned. AsBAA may participate in Dubai forum early December 2018. MW looking for potential participants in Asia speaking on finance and legal topic predominantly.</p>	All - For info	N/A
<p>f) MW suggests we arrange 'doorknock meetings' around Asia with IBAC pushing the ICAO standards for airports.</p>	All - For info	N/A
<p>g) MW: Macau airport authority is interested in creating something similar to what we have with HK (GA/BA specific meetings) to get industry feedback.</p>	All - For info	N/A

h) BW advised that Sir Michael will be meeting with THB in the near future, and asked for 5 or 6 bullet points he can raise / follow up.	All - For info	N/A
i) MW suggests AsBAA to share booth for NBAA for members who can't afford their own booth (Mike suggests guilt them into it.)	All - For info	N/A
<b>5. Next Committee Meeting</b>		
<p><b>Date:</b> Tuesday 27 February 2018  <b>Time:</b> 16:30  <b>Venue:</b> Holman Fenwick Willan  15<sup>th</sup> Floor, Tower One  Lippo Centre  89 Queensway, Admiralty  Hong Kong</p>	ALL	N/A