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COMMENTS OF LIGHT AIRCRAFT ASSOCIATION OF THE CZECH REPUBLIC ON THE DISCUSSION PAPER ON THE OPERATION OF REGULATION (EC) 785/2004 ON INSURANCE REQUIREMENTS FOR AIR CARRIERS AND AIRCRAFT OPERATORS.

Light Aircraft Association CR appreciate the possibility to comment on this important issue.

LAA CR is association of pilots, builders, designers, manufacturers and operators of light aircraft with MTOM up to 450 kg. It has 7 600 members and registers 3 800 aircraft and 10 000 pilots. LAA CR is a competent authority for Certification, Licencing and Operation of microlights in the Czech Republic. This covers paragliding, powered paragliding, hang gliding, gyroplanes, helicopters, weight shift and aerodynamically controlled microlight.

General comment:

According to our opinion the Regulation (EC) 785/2004 was originally prepared for commercial transport and afterwards the aircraft operators were included as well. We think that the Regulation is making things too complicated for GA and it is not taking in account different cost levels in the Member States.

Insurance market does not take into account relatively low risk of damage caused by other aircraft. Aircraft with MTOM<500kg under the competency of LAA CR during the whole history (17years) did not caused single accident damage to the third party (excluded the aircraft) higher than 19 000 EURO. The highest summary of all damages during one year for the group insurance agreement covering approximately 2000 aircraft was 35 000 EURO.

Bellow are our answers to the relevant questions from the LAA CR point of view.

Q2: What has been the economic impact of the Regulation on general aviation operators?

Indirect economic impact:

- **ten times more difficult negotiations with insurance companies before closing the insurance contract (group contract for approximately 2 000 aircraft)**
- **very difficult negotiations with government institutions about the interpretation of Regulation (EC) 785/2004**

Direct economic impact:

- **for the aircraft under the LAA CR responsibility the implementation of Regulation increased the cost of insurance 2-3 times (innitially 8 times) regardless that this is group insurance contract**



Q3: Does the insurance market provide reasonable cover for historic aircraft, taking into account the limited usage and relative low risk of third-party damage caused by such aircraft? What could be a more appropriate and proportional insurance requirement for historic aircraft?

Even the historic aircraft are not area of our competency we can imagine that there is a risk of limitation of operation of such aircraft due the high insurance requirements.

Q4: Is there still a need for the requirement for aircraft operators have insurance cover for damage third parties due risks of war or terrorism in respect of noncommercial operations?

ABSOLUTELY NO! According to our opinion such requirement never existed.

Q5: Is there a need to introduce specific rules for the insurance requirements for damage caused by unlawful interference while the aircraft is still at the airport in order to allow insurers better control over possible liability exposure?

We do not see any need for such rules.

Q6: Do air carriers licensed in third countries and aircraft operators using aircraft registered outside the EU usually deposit an insurance certificate or do they provide other documentation? What kind of documentation other than a deposit of an insurance certificate is provided by air carriers and aircraft operators and accepted as evidence of compliance by Member States?

We think that the insurance certificate is sufficient.

Q8: Which insurance requirements apply in Member States for the passenger liability in respect of non-commercial operations by aircraft with a MTOM of less than 2,700 kg? Different insurance requirements in these cases cause problems for aircraft operators?

In the Czech Republic the insurance cover according to Article 6 sub 1 is 100 000 SDR. We are not aware of any problems.

Q14: Is there scope for simplification of the Regulation?

Yes, we think that this scope definitely exists.



Q15: Is it still seen necessary have harmonised insurance requirements for noncommercial aircraft operators? What would be the impact of exempting noncommercial aircraft operators from the scope of the Regulation?

Harmonised insurance requirements for noncommercial operators are not necessary for operations inside the Member state, we never thought that this is necessary. We believe that they could be useful for flights between the Member states, but in such case the requirements should be strictly defined (today only the minimum requirements are set). In case of exemption for noncommercial aircraft operation inside the Member state we assume that in the Czech Republic the insurance would be cheaper.

Light Aircraft Association is prepared to participate on any effort leading to the simplification of the Regulation or exempting the noncommercial aircraft operation from the scope of Regulation.

Yours sincerely,

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