

HFW Aero



In conversation with...

Jane Hoskisson, Director Talent, Learning, Engagement & Diversity, IATA

Legal news round-up

Significant global developments

In conversation with...

Gerald Ng, Changi Airport Group (Singapore) Pte Ltd

eVTOLs – an emerging market in Singapore

eVTOLs – a long term solution to more sustainable journeys



HFW has been at the forefront of legal developments in the aerospace sector for over four decades.

Our clients are drawn from all spheres of the industry and our global team is one of the largest and dedicated to the sector of any international law firm. We have one of the fastest growing international networks, with a team of over 80 specialist aviation lawyers, positioned in offices around the world.

Our lawyers are able to advise on all forms of dispute resolution, competition and anti-trust issues as well as a complete range of commercial transactions, from mergers and acquisitions and aircraft sales, to purchases, leases and financing. We provide services to the aviation industry, aviation insurers and their brokers and all major stakeholders. We bring our experience, market insight, true sector knowledge and passion for what we do.

It's this continued service to the industry that has been recognised time and again in the legal and business rankings, and most importantly, by our clients.



To give any feedback on our publication please contact the editor of **HFW Aero**:

GARETH MILLER-REEDMAN

T +44 (0)20 7264 8035

E gareth.miller-reedman@hfw.com

www.hfw.com/aerospace

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Introduction

Welcome to our latest Asia edition of HFW Aero, our quarterly update of the legal, commercial and regulatory issues affecting the aviation industry.

In this Asia edition, which follows hot on the heels of the Singapore Airshow last month, we feature IATA's Jane Hoskisson as she looks back on her career and how her own experiences have shaped her work at IATA pioneering the 25by2025 campaign. Jane shares valuable advice for companies on how to create the best possible conditions for the success of women in their organisations, starting with data.

We are fortunate to feature a fascinating "In Conversation" piece with Changi Airport Group's Gerald Ng, who provides a valuable insight into the impressive work CAG is doing to achieve net zero carbon emissions. This is a topical issue with the imminent publication of Singapore's Sustainable Blueprint – Singapore's response to the challenges faced and a framework to guide Singapore's sustainability efforts to 2030.

HFW's Barry Vitou and Anne-Marie Ottaway from our Global Investigations and Enforcement Team provide guidance for our aviation clients on the importance of due diligence and robust contracts in a post-covid world as the industry experiences significant change.

We also look at the emerging EVTOL market in Singapore and in our Global News roundup we look at topics including new Brazilian legislation making life simpler for foreign airlines, a UK framework for delayed flight compensation and sustainability for aviation lessors.

We are proud to serve the aviation industry in this vibrant and exciting part of the world. Please do get in touch if you'd like to talk to us more about any of the topics or issues we have featured.

Kate

KATE SEATON

Partner

kate.seaton@hfw.com



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Legal news round-up

Brazil modernises and simplifies

Brazil has been busy modernising, with the introduction of new legislation which will make life simpler for foreign airlines operating there and an overhaul of its business law which means that service of legal proceedings by email will become the norm.

“Programa Voo Simples” or Simple Flight Plan aims to deregulate and attract investment to the Brazilian aviation sector, in an effort to counteract the impact of Covid-19 restrictions on operators, airports and other players in the industry. An excessively bureaucratic application process has been replaced by a simpler online one, and there is no longer any need to establish a local office or obtain a Brazilian tax number in order to sell tickets for flights to or from Brazil. For more information see [our briefing](#). Comparable reforms have also been made in the shipping sector and liberalisation of the Brazilian insurance market also continues at pace.

In parallel with this, the Ministry of Economy is spearheading a raft of reforms aimed at enhancing economic freedom and legal security in Brazil. At its core is the “New Business Environment Law” (the **Law**) which seeks to simplify the establishment and operation of companies in Brazil, to stimulate the recommencement of economic activity and attract foreign capital. Some key elements of the legislation include

moving the process for granting business licences online, removing restrictions on foreign investment in some sectors and removing the requirement for businesses to have a physical address in Brazil.

Of particular interest in this notoriously litigious country is that the Law amends the Brazilian Civil Procedural Code so as to make service by “electronic means” a legitimate method of service of process. This is, in some ways, good news for airlines because it provides more certainty in relation to the deadline for response and reduces costly monitoring of dockets. The new procedure also curtails plaintiffs’ ability to game the system by delaying service and allowing interest and monetary correction to increase the claim value at beyond available bank deposit rates. However there remains a question mark over whether “electronic means” might also include instant messaging Apps like WhatsApp and Telegram and there is something of a regulatory void in relation to the precise requirements for registering and keeping electronic address details up to date. The rules do not currently extend to foreign defendants. To learn more, see [our briefing](#).

UK takes first steps to move away from EU261

The UK government has announced so-called “Brexit dividend”, plans to replace the legacy EU system of compensation

for delayed and cancelled domestic flights with a new framework which links compensation more closely to the cost of the ticket. This is good news for low-cost operators, who have long borne a disproportionate burden under the EU rules. However the plans do include a proposal to reduce the trigger for delay compensation from three hours to one hour, which may become something of an administrative headache.

At present, there are no plans to extend these changes to international flights. However there is a move to require all airlines flying in and out of the UK to submit all small disputes, including baggage claims, to compulsory Alternative Dispute Resolution (**ADR**). Mandatory ADR has the potential to benefit both sides but needs to be planned and managed carefully. The proposals are currently at the consultation stage and comments from all interested parties are invited. We look at the plans in more detail in [this briefing](#).

Ryanair to take case to Supreme Court

The UK Civil Aviation Authority has scored another victory against Ryanair in its ongoing quest to force the airline to pay compensation to hundreds of passengers whose flights were cancelled as a result of strike action by its own employees. The Court of Appeal has upheld a prior decision which found that the “extraordinary circumstances”

defence did not apply. However passengers will have to continue to wait for their payouts because Ryanair has said it will appeal to the Supreme Court.

The CAA’s powers are limited to situations where breaches harm the collective interests of consumers, so enforcement actions like this are a rare and costly last resort. This is seen as increasingly unworkable and, as a result, the consultation on consumer rights referred to above also includes proposals to expand and streamline the CAA’s powers to police and sanction breaches of consumer law. New sanctions could include GDPR-style turnover-based fines.

Lessors outline sustainability and ESG strategies

Aircraft Leasing Ireland (ALI), which represents 31 of the world’s largest lessors, recently launched a paper entitled ‘**Aviation Sustainability: Our Future**’.

Tangible steps to which ALI commits include the development of a charter during 2022, which will demonstrate leadership in carbon disclosures and will accelerate progress in future aircraft and low carbon technologies. The paper emphasises the negotiating power of the lessor community as buyers of more than 50% of the world’s new technology aircraft.

English Commercial Court modernises its procedure and remains busy with aviation litigation

The English Commercial Court has introduced a raft of procedural changes which are designed to increase efficiency and reduce delays. These include going paperless as default and conducting all hearings of half a day or less remotely. Some of these changes to practice have been some brought about by the Covid-19 pandemic (default electronic bundles and more use of technology and remote hearings) while some reflect innovations such as the Disclosure Pilot and a new Practice Direction on trial Witness Statements. For more information see [our briefing](#).

Against this backdrop the Court remains busy with aviation disputes arising out of English law leases and purchase agreements. In addition to the recent injunction in the well-publicised dispute between Qatar Airways and Airbus over alleged design defects in the A350, a number of judgments have been handed down over the last quarter. In *Spicejet Ltd v De Havilland Aircraft Canada Ltd*, Spicejet was appealing an award of over US\$42 million in damages in relation to the cancellation of an aircraft purchase agreement. De Havilland asked the court to refuse to hear the appeal unless Spicejet paid US\$5 million into court. The order was granted; the decision is notable for the court’s willingness to consider evidence in relation to the personal wealth of the airline’s majority shareholder.

In a separate dispute Spicejet tried to overturn a summary judgment obtained by lessor in dispute over outstanding rent following the airline’s default. Spicejet argued that enforcement notices served by the lessor were not valid but the court held that they could not challenge the validity of the notice because they had made payments of rent after it was served.

In *Nas Air Co v Genesis Aviation Trading*, a dispute arose about the lessee’s obligation to repair an engine at the cost of USD12.4 million. The court was asked to consider whether the terms of an aircraft lease should be modified retrospectively to reflect what one party argued was not the intention of the parties during negotiation. This entailed extensive cross examination of the two negotiators in court. It held that the terms should stand as originally executed.

Olympic Council of Asia v Novans Jets was a case which looked at whether a failure to pay an invoice in the course of an aircraft lease-to-purchase arrangement was a repudiatory breach which entitled the lessor to bring the arrangement to an end. It was held that the lessor had acted unreasonably in terminating.



Ryanair argues against its own choice of law in a bid to contain damages

In *Silverman v Ryanair DAC*, a case with international significance for the application of the Montreal Convention (**MC99**), the English High Court ruled that the damages recoverable in a personal injury claim proceeding in the English courts should be quantified according to Irish law. The carriage was from the UK to Germany and the UK-resident claimant was injured at an English airport. Ryanair’s General Conditions of Carriage (**GCC**) contained a choice of law clause in favour of Irish law “Except as otherwise provided by the Convention or applicable law”.

The claimant argued for Irish law because damages are higher in Ireland than in England and the court agreed that this was consistent with the way that MC99 worked.

The case is important for any Convention case globally as it confirms that choice of law is open to debate regardless of jurisdiction (though the method for determining choice of law will vary from jurisdiction to jurisdiction).

In conversation with...

Jane Hoskisson

Director Talent, Learning, Engagement & Diversity, IATA



Before becoming IATA's head of diversity, you worked in a diverse range of industries from telecoms, oil, pharma and management consultancy. How have your experiences in these industries shaped your role within IATA and how you approach issues of equality, diversity and inclusion, and particularly gender equality?

I think it is fair to say that the one characteristic of these industries is that they are fairly male dominated, which absolutely shaped my early experiences. My very first job was working for British American Tobacco (BAT). One thing that BP was fantastic at doing was recognising that there were some strong female leaders, that acted as role models who continue to shape and inspire me.

In recent years, there has been increasing focus on DE&I in the aviation sector. What do you see as the biggest barriers to women entering the aviation industry, and to women staying in it?

It was surprising in aviation that there were some elements of diversity and inclusion that we didn't really talk about and expected to see more focus on DE&I.

Only 3% of airline CEOs are female. When you compare that to other Fortune 500 companies, you see that it is really not where it needs to be in 2019.

IATA's adoption of 25by2025 was a milestone in acknowledging the need to ensure gender equality in the industry and to increase the number of women in top roles – what do the first set of metrics look like? What have you seen work, and what more do you think needs to be done to facilitate progress?

I think the important thing about 25by2025 as a movement is to make sure that we collectively move in the right direction to address the balance regarding diversity, equity and inclusion so that we start to build a pipeline of people that can enter senior management roles. The way we've set those targets is to be quite balanced.

One of the things that we do within the group of signatories for 25by2025 is we bring everybody together to share best practice of what has been working, and what has worked well in particular organisations.

It's important to know that you're not excluding women from coming back to the workplace or in cases where you've got more of a blended family, you're not

pushing the primary carer away from returning to the workplace.

You might start to see some companies looking at gender neutrality, making sure that there is not one predominant gender in a particular area, or you might see companies show up in things like cabin crew uniform, breaking down some of the traditional stereotypes that are used when we think about the way in which members of our staff in the cabin are encouraged to dress. A few organisations already have integration of diversity into their business processes including Air New Zealand with the "come as you are" approach, so they don't just make very good statements where they say we need more diversity and then don't do anything to redress it. Sometimes recruitment processes have a built in bias so the companies that are really doing good stuff here are trying to eliminate those biases right from the start but it starts with the leader saying *'I am supportive of this and I want to do everything possible to make sure that we are not biasing our processes; that we are not biasing our internal practices, that we don't have bias in our policies and I as a leader, hold people to account for making sure that they are making diverse and inclusive decisions'*.

In your experience, what are the top three things that companies should do to create the best possible conditions for the success of women in an organisation?

There is absolutely no one size that fits all when you come to thinking about creating a diverse, equitable and inclusive workforce. The company should do one thing and that is look at their data.

So, you might look at metrics, for example, how many women/at what rate are women promoted compared to men? What is the average tenure of women and men in a role? How many women leave the organisation after returning from maternity leave? How many parents make use of their paternity leave? What are the hiring statistics, so who is coming into the pipeline of talent?

If you are looking at your hiring data and it's saying that you are just not getting the right number of women to apply in the first place, look at the job description for a position. Is it written in a male dominated tone for example? There are tools and technology that can help you, what I call "superhero job descriptions" where we want people to be everything before they've even walked in the door. This puts a lot of pressure on women because typically there's a lot of research that says women will apply for a job when they feel that they are one hundred percent capable of doing the job. Men do not need to feel the same degree of comfort level.

A lot of things stall at the first hurdle because you've already baked biased in. So, for example, a senior executive role, stating that you must be willing to travel over 50% of the time. Quite often you may then preclude people who have caring responsibilities including to older family members. There are lots of reasons why, typically, women don't tend to go for job descriptions where they're asking for 50% travel. Same thing is to look at your pipeline of senior appointments. How many people are applying for them? If women aren't

applying, then what is your outreach program to make sure that they are encouraged to apply.

What checks and balances do you have in place to make sure that you have diverse recruiting panels? Quite often there can be a bias in the number of people that are recruiting so perhaps you've got a high predominance of men with a very clear background. For example, you might see CFOs appointing into their senior leadership teams of people who have only got MBAs, so you know, you've got to really challenge some of the stereotypes.

What are the advantages to having more women in senior roles within organisations?

If you look at the research by McKinsey, having more women and not just women but diversity at your board level, delivers business benefit. There is up to 40% difference in business outcomes if you have more women within organisations. If you also think, particularly the airline sector, the demographic is changing. We hear a lot about how the business travel model is changing which means that there's more luxury or high end travel or tourism and many of the decision-makers for that type of travel tend to be women. Women are looking for products and services from their particular bias, which is why we need to make sure that women are represented so that products and services that are delivered suit the needs of those women.

What's next in store for IATA in the context of DE&I?

One of the things that we are doing is that we are creating a playbook for organisations. We're going to be working this year on developing a set of best practices. It's not about having a one-size-fits-all it is about making sure that we look at solutions that work for our organisation. Organisations of course don't operate in a vacuum they operate against the cultural backgrounds that we work in so there is a lot to do; on how to encourage more women into these areas.

“There is absolutely no one size that fits all when you come to thinking about creating a diverse, equitable and inclusive workforce.”





eVTOLs – an emerging market in Singapore

With a pledge to achieve net-zero CO2 emissions by 2050, there is now a huge focus on sustainability and how business aviation can achieve this target. The question is whether Urban Air Mobility (UAM) and Electric Vertical Takeoff and Landing Vehicles (eVTOLs) or "air taxis" will provide a long-term sustainable solution to the challenges the industry currently faces.

Investment

It is no surprise that the APAC region and in particular, Singapore, is already looking to pioneer and develop the eVTOL market. A recent study by Roland Berger and Rolls Royce details that passenger carrying VTOL aircraft in Japan could exceed 16,000 passengers (US\$14.3 billion service revenue) with around US\$3.8 billion in South Korea and \$350 million in Singapore by 2050. The Ministry of Transport in Singapore and the Civil Aviation Authority of Singapore (CAAS) are presently developing a blueprint for a sustainable air hub, to be published next year.

Future investment

Investment bank, Morgan Stanley, anticipate that eVTOL aircraft could ultimately represent a US\$9 trillion global market, although caveat this statement by anticipating that it will likely take decades for the UAM sector to achieve its full potential. Nevertheless, predictions of this nature from a preeminent investment bank are difficult to ignore.

First commercial flight

Some of the main eVTOL players have pointed to 2024 for the first commercial flights (Volocopter, for example, suggested at the end of 2020 that they would launch a commercial service in Singapore within 3 years).

The prototypes being developed by Volocopter will be able to operate from small airports no more than 25m long – which would mean that these vehicles could operate from rooftop sites similar to small helicopters.

Latest development and innovation

Central to plans is Singapore, which has remained at the forefront of development in technology. With the Smart Nation Initiative, a vertiport will be a new feature at the Hyundai Motor Group Innovation Centre (HMGICS) in Jurong. There is no doubting the rate of progress, with aims to build on the initial air taxi services (Volocopter and Skyports) with later plans to include longer cross border flights to Indonesia and Malaysia. Skyports design, build and operate passenger and cargo vertiports and also operate drone delivery. Skyports already have plans to build infrastructure at Selatar Airport (Singapore) which is likely to include terminals, pilot training facilities and maintenance provisions.

Key findings of a recent report into Advanced Air Mobility (AAM) by Roland Berger in conjunction with Rolls Royce states that the industry will bring key benefits in both transportation and sustainability. Not only saving time

“Questions remain as to whether the existing liability framework is fit for purpose for the UAM industry.”

but they will integrate with existing ground transport and provide increased convenience. Linked to this is the global air transport industry's 2050 target of zero emissions, as well as increasing pressure to reduce noise pollution along with the need for safe and reliable flight. For example, Rolls Royce plan to proceed with test flights of their prototype – the Spirit of Innovation.

CAAS signed a cooperation agreement in February to study the development of a hydrogen aviation hub in Singapore. Following this agreement, Tan Kah Han (CAAS Senior Director – Unmanned Systems Group) stated that these infrastructure developments will also provide certain benefits to eVTOL and the UAM vision. A memorandum of understanding was also signed with ST Engineering Aerospace Ltd to jointly advance unmanned aircraft.

Embraer have very recently announced tentative orders for their partnership with Eve Urban Air Mobility Solutions to produce an eVTOL with aircraft deliveries due to commence in 2026. In addition, Eve are signing an agreement with Skyports with plans in place to operate their eVTOL in Japan. This agreement aims to provide developments in airspace design, operation, and infrastructure.

Certification

eVTOLs are difficult to define due to the multitude of designs currently being proposed by the burgeoning sector. Some designs echo the features of conventional helicopters – albeit with multiple rotors – whereas others blend a fixed wing design with varying forms of propulsion units. This makes the task of creating

certification standards challenging. Close collaboration with CAAS is obviously therefore essential in order to meet the target of 2024 for a first commercial eVTOL flight in Singapore.

Liability issues

Industry thinking on the applicable liability issues, and the laws which may regulate accidents and incidents, are yet to be advanced. As things stand, the liability regimes for the carriage of passengers on board traditional civil aircraft, such as the Montreal Convention 1999 (MC99), are likely to apply. While strictly speaking MC99 applies to international carriage only, a number of jurisdictions have incorporated the relevant principles into national laws concerning domestic carriage.

Questions remain as to whether the existing liability framework is fit for purpose for the UAM industry.

Business Aviation Future

The UAM industry has moved forward significantly in the last two years especially in terms of interest and the investment it is attracting. It now seems inevitable that eVTOLs will be coming to a city near us all very soon. That said, significant technological, regulatory, and legal questions remain unanswered and will need to be addressed in order to facilitate a smooth and steady takeoff. Rather than competing with business jets, if successfully integrated into FBOs or nearby vertiports, eVTOLs and electric air taxis could well prove a useful addition for both the business jet and commercial aviation markets alike.



In conversation with...

Gerald Ng

Vice President, Environment and Sustainability – Changi Airport Group (Singapore)

What was one of the biggest business lessons [Changi] learnt during 2021?

2021 was another year which tested Changi Airport's resolve and resilience as the global Covid-19 pandemic continued. Changi Airport's ability to respond decisively to unprecedented events reflected the commitment of the whole airport community. At the same time, it underscored the importance of establishing a sustainability framework for Changi Airport Group (CAG).

Could you expand on the sustainability framework CAG established and what commitments have been made as part of the framework?

To build a sustainable future, CAG has committed to a target of Zero Carbon Growth to 2030, benchmarked against 2018 emissions, with longer-term aspirations towards net zero by 2050.

Could you explain what CAG's strategy is to meet the Airports Council International's Global Long-term Carbon Goal for global airports to achieve net zero carbon emissions by 2050?

A major part of CAG's de-carbonisation efforts centres around reducing electricity consumption and using cleaner energy wherever viable, as over 99% of our carbon emissions come from the use of grid electricity. Besides implementing solutions that increase building energy efficiency, for example,

upgrading our chiller plants to best-in-class energy efficient models, we also trialled innovations that reduce building heat loads, as well as manage our airport systems more intelligently.

We are also working closely with our airport partners to support their sustainability initiatives, as the airport operator's carbon emissions is only part of the overall carbon footprint of the whole airport community.

On the ground handling front, we are partnering with our ground handlers to explore new concepts of operations. For a start, we are working towards converting all the baggage tractors in the airside to electric models. To support the operations of electric baggage tractors, CAG has expanded our network of electric vehicle charging points to more than 100 across Terminals 1 to 4. We will continue to work with our ground handling partners to support the further electrification of ground support equipment.

With CAG's drive towards greener operations, what do you believe is the most effective way to achieve this goal?

Unlocking the full potential of emerging technologies, partnerships and collaboration amongst public and private stakeholders will be critical to balance supply and demand through effective policies, to support Singapore's commitments under the Paris Climate Change Agreement.

We are all aware of the increasing focus for airlines on the use of Sustainable Aviation Fuels (SAF); what role is CAG playing to support airlines in facilitating this change?

For airlines, Sustainable Aviation Fuels (SAF) will be a key de-carbonisation lever. CAG is partnering with the Civil Aviation Authority of Singapore (CAAS) and Singapore Airlines (SIA) on the recently announced SAF trial which will commence this year. We look forward to working closely with all of our airline partners to accelerate the use of SAF at Singapore Changi Airport.

What do you see as the biggest business challenge(s) [Changi] will face as it enters 2022 and beyond?

In 2022, as Singapore pushes ahead with its reopening efforts with vaccinated travel lanes and more transit flights, Changi Airport is also preparing airport infrastructure to cater to increased passenger and cargo movements, and future air travel growth, as the aviation industry recovers. We look forward to serving more customers as travellers and visitors re-discover the desire for travel, while staying committed to the target of Zero Carbon Growth to 2030.

Realising this aspiration will require CAG to push the boundaries for energy-saving innovations, as well as quantum leaps in technology. The challenge is to ensure scalability and commercial viability of the many new solutions being developed, as well as for Singapore to obtain cleaner energy as a nation.



CHANGI
airport group

About Gerald

Gerald is responsible for driving enterprise strategy and tangible initiatives for a sustainable Changi aviation hub, including carbon emissions mitigation, climate resilience, green energy, circular economy and sustainable aviation fuels. He leads a team of passionate and experienced aviation professionals for CAG's Sustainability Reporting, Airport Carbon Accreditation and implementation of the Environmental Management System for life cycle assessment and ISO 14001 certification.

Gerald is also the Vice-Chair of the Airport Council International's (ACI) Asia-Pacific Regional Environment Committee, and a member of the ACI World Environment Steering Committee.

Prior to heading the Environment and Sustainability team, Gerald was actively sourcing and evaluating new business opportunities for Changi Airport Group (CAG) and led company-wide strategic and internal consulting projects and initiatives to create new revenue streams for CAG through areas of internal synergy and facilitated cross-divisional collaboration.

Gerald holds a Bachelor of Arts in Government (International Relations) and Economics from Cornell University, and a Master's in International Policy Studies from Stanford University.

Contracts and Due Diligence - Post Pandemic

While COVID was responsible for an immediate and prolonged collapse in the aerospace sector its knock on consequences are likely to last for much longer. In a post pandemic world extreme change sums up the future facing the aerospace industry.

As the world begins to open up from its COVID 19 travel shutdown a glut of aircraft from manufacturers, huge debt levels among many airlines, a supply chain under stress with reduced capacity (in an industry famed for the complexity of its supply chain) are just some of the impacts which will take a long time to shake out. This backdrop is combined with anticipated changing patterns of travel. A drop in demand for business class travel fuelled by the use of video conferencing and technology is expected; potentially offset (in part) by likely pent up demand for leisure travel among many people prevented from airline travel for over two years. On top of all this ESG is also behind a revolution in the way businesses in the sector operate.

All these factors are driving significant change in the industry. A focus on leisure travel may result in the necessity to change (and contract for) new seating layouts, reducing business and first class capacity and potentially adding cheaper seats better suited to family travel. Fragile supply chains may mean that airlines and manufacturers seek to reduce risk by diversification either by seeking alternative suppliers or in some cases some within the industry may seek to protect their supply by engaging in M&A activity to vertically integrate suppliers into their own business.

Others looking to leverage the oversupply of aircraft may wish to lock in deals now at advantageous prices.

Each of these changes will likely involve fresh contracts and potentially new suppliers. In doing so we strongly counsel the importance of due diligence and robust contracts are paramount.

The aerospace industry is high risk due to a combination of factors. Among them:

- the industry is heavily regulated and subject to government licensing;
- operations span the globe and are decentralised;
- supply chains are complex and distributors and agents (over whom businesses may have little control but still be liable for their conduct) are widely used;
- many airlines are state owned enterprises with relatively low paid employees in charge of the procurement of extremely expensive products making them susceptible to bribery.

Unsurprisingly, this has historically caused compliance problems some of which have been well publicised. Others have not and we have advised clients in the sector with concerns without the glare of publicity. Over the years there have been (and some still remain) investigations by government authorities ranging from alleged anti-competitive behaviour to anti bribery law violations by manufacturers, airlines and the supply chain. Fines ranging from the low US millions to the

US billions have resulted with some airline employees being investigated in Asia as alleged recipients of bribes from manufacturers. On top of the cost of fines is the cost of adverse reputational problems, dealing with any investigation, fixing the problem and the sheer quantity of management time involved. Often these costs are more than the cost of the penalties suffered.

In the meantime, many of the problems could have been avoided had the businesses done a better job on compliance and diligence originally.

Against this backdrop we are increasingly being asked by clients to help them reduce risk when negotiating new contracts and entering into trading relationships and we strongly recommend ensuring due diligence is done and compliance programs are up to date.



BARRY VITOU

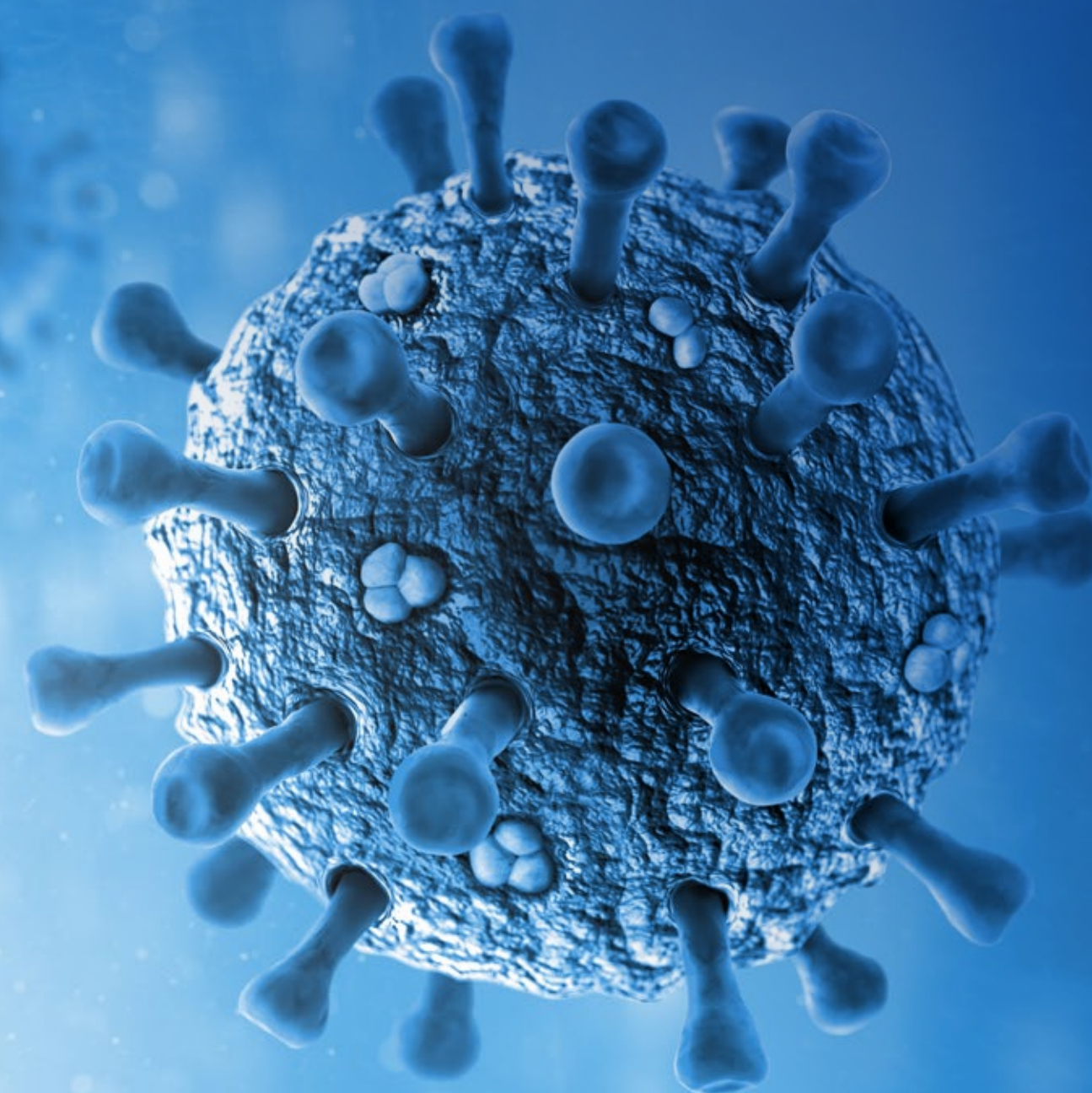
HFW Partner, London
T +44 (0)20 7264 8050
E barry.vitou@hfw.com



ANNE-MARIE OTTAWAY

HFW Partner, London
T +44 (0)20 7264 8054
E anne-marie.ottaway@hfw.com

“Others looking to leverage the oversupply of aircraft may wish to lock in deals now at advantageous prices.”





Contact us



GILES KAVANAGH
Partner, London
T +44 (0)7775 566205
E giles.kavanagh@hfw.com



PIERRE FRÜHLING
Partner, Brussels/Paris
T +33 6 27 61 41 60
E pierre.fruhling@hfw.com



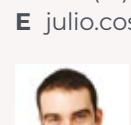
RICHARD GIMBLETT
Partner, Dubai
T +971 50 451 3639
E richard.gimblett@hfw.com



MERT HIFZI
Partner, Singapore
T +65 8333 4101
E mert.hifzi@hfw.com



JULIO COSTA
Partner, CAL in cooperation with HFW, Brazil
T +55 (21) 97571 2658
E julio.costa@cal-law.com.br



JEAN-BAPTISTE CHARLES
Partner, Paris
T +33 (0)1 44 94 31 44
E jean-baptiste.charles@hfw.com



GORDON GARDINER
Partner, Hong Kong
T +852 3983 7710
E gordon.gardiner@hfw.com

Sustainability Quarterly

HFw's Sustainability Quarterly features the latest innovations, legal and regulatory updates, and sustainability-related news from across key global markets.

In the latest issue Alessio Sbraga details the central themes and outcomes of COP26 which brought the role of private and public organisations, governments and individuals into sharp focus.

We cover the first in a series of HFw Sustainability webinars where Jason Channell, Head of Sustainable Finance at Citi Global Insights, discusses with Peter Zaman the role of sustainable finance in a post-pandemic, climate-challenged world, and why we can feel encouraged about the progress being made.

We have our roundup of ESG-related legal and regulatory developments, an interview with Coutts' Responsible Investing Director, Karen Ermel, and advice from Barry Vitou to companies to review and verify ESG claims in light of the huge uptick in ESG investment.

We are committed to using our legal and sector expertise, networks and corporate responsibility initiatives to enable sustainable practices across all of our operations and the industries that we service, and to drive meaningful and lasting change.



International Women's Day

International Women's Day on 8 March, is a global day celebrating the social, economic, cultural and political achievements of women. (The day also marks a call to action for accelerating gender parity. Significant activity is witnessed worldwide as groups come together to celebrate women's achievements or rally for women's equality). This year the IWD 2022 campaign theme was #BreakTheBias where we are invited to:

- Imagine a gender equal world.
- A world free of bias, stereotypes, and discrimination.
- A world that is diverse, equitable, and inclusive.
- A world where difference is valued and celebrated.
- Together we can forge women's equality.
- Collectively we can all #BreakTheBias

Women in Aviation International

HFw Singapore is proud to be a corporate sponsor of **Women in Aviation International**, Singapore Chapter. Women in Aviation International (WAI) is a nonprofit organization dedicated to the encouragement and advancement of women in all aviation career fields and interests. WAI membership is open to women and men from all segments of the aviation industry and in all stages of their career.